



**OFFICIAL REPORT**  
AITHISG OIFIGEIL

# Meeting of the Parliament

**Thursday 16 March 2017**

**Session 5**



The Scottish Parliament  
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - [www.parliament.scot](http://www.parliament.scot) or by contacting Public Information on 0131 348 5000

---

Thursday 16 March 2017

CONTENTS

	<b>Col.</b>
<b>GENERAL QUESTION TIME</b> .....	1
Sectarianism.....	1
Small Business Bonus Scheme (North Ayrshire).....	2
Town Centre Regeneration.....	4
Anti-Semitism.....	5
Donald Trump (Possible Visit to Scotland).....	6
Airbnb (Business Rates).....	7
Equal Pay (Local Authorities).....	8
<b>FIRST MINISTER'S QUESTION TIME</b> .....	10
Engagements.....	10
Engagements.....	13
Cabinet (Meetings).....	17
Pupil Equity Fund.....	19
Gun Crime.....	21
Unit Assessments (Changes).....	23
<b>NON-DOMESTIC RATES (NORTH EAST SCOTLAND)</b> .....	26
<i>Motion debated—[Ross Thomson].</i>	
Ross Thomson (North East Scotland) (Con).....	26
Mairi Evans (Angus North and Mearns) (SNP).....	29
Liam Kerr (North East Scotland) (Con).....	31
Lewis Macdonald (North East Scotland) (Lab).....	33
Alexander Burnett (Aberdeenshire West) (Con).....	34
Mike Rumbles (North East Scotland) (LD).....	36
Bill Bowman (North East Scotland) (Con).....	37
Gillian Martin (Aberdeenshire East) (SNP).....	39
Peter Chapman (North East Scotland) (Con).....	42
Jackie Baillie (Dumbarton) (Lab).....	44
Douglas Ross (Highlands and Islands) (Con).....	45
The Minister for Local Government and Housing (Kevin Stewart).....	47
<b>DRAFT CLIMATE CHANGE PLAN</b> .....	51
<i>Motion moved—[Graeme Dey].</i>	
Graeme Dey (Angus South) (SNP).....	51
Gordon Lindhurst (Lothian) (Con).....	54
Bob Doris (Glasgow Maryhill and Springburn) (SNP).....	56
Edward Mountain (Highlands and Islands) (Con).....	58
The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham)...	60
Alexander Burnett (Aberdeenshire West) (Con).....	63
Claudia Beamish (South Scotland) (Lab).....	66
Mark Ruskell (Mid Scotland and Fife) (Green).....	69
Liam McArthur (Orkney Islands) (LD).....	72
Emma Harper (South Scotland) (SNP).....	74
Finlay Carson (Galloway and West Dumfries) (Con).....	76
Gail Ross (Caithness, Sutherland and Ross) (SNP).....	77
Richard Leonard (Central Scotland) (Lab).....	79
Stewart Stevenson (Banffshire and Buchan Coast) (SNP).....	82
Jamie Greene (West Scotland) (Con).....	83
Angus MacDonald (Falkirk East) (SNP).....	85
Neil Findlay (Lothian) (Lab).....	87
John Mason (Glasgow Shettleston) (SNP).....	89
John Scott (Ayr) (Con).....	91
Kate Forbes (Skye, Lochaber and Badenoch) (SNP).....	93
Mike Rumbles (North East Scotland) (LD).....	94
Andy Wightman (Lothian) (Green).....	96
David Stewart (Highlands and Islands) (Lab).....	98

Peter Chapman (North East Scotland) (Con) .....	100
The Minister for Business, Innovation and Energy (Paul Wheelhouse) .....	103
Maurice Golden (West Scotland) (Con) .....	106
<b>FARRIERS (REGISTRATION) BILL</b> .....	110
<i>Motion moved—[Roseanna Cunningham].</i>	
<b>DECISION TIME</b> .....	111

---

# Scottish Parliament

Thursday 16 March 2017

[The Presiding Officer opened the meeting at 11:40]

## General Question Time

### Sectarianism

**1. James Dornan (Glasgow Cathcart) (SNP):** To ask the Scottish Government how it will take forward the recommendations of the advisory group on tackling sectarianism. (S5O-00787)

**The Minister for Community Safety and Legal Affairs (Annabelle Ewing):** The Scottish Government has been working to take forward the recommendations of the advisory group with relevant organisations since publication in May 2015. I tasked former advisory group chair, Dr Duncan Morrow, with conducting a review of the implementation of the recommendations, and his findings were published on 6 March 2017. Dr Morrow gathered evidence from a wide range of sources, including the Scottish Government and all parties in the chamber, and I would like to thank everyone for their constructive contributions.

It is very clear from the review that work remains to be done and that we all have a responsibility to meet that challenge. The Scottish Government is fully committed to building on Dr Morrow's work. We have invested £12.5 million over the past five years to tackle sectarianism, including £9.3 million directly invested in community-based projects across Scotland—more than any Government before.

**James Dornan:** The minister will be aware that Dr Morrow asks frequently in his report:

"If not strict liability, then what?"

Does the minister agree that the introduction of strict liability on Scottish football clubs would go some considerable way towards reducing not only sectarianism but homophobia, misogyny and other unacceptable behaviours in Scottish football?

**Annabelle Ewing:** I am aware of Dr Morrow's comments in that regard, and I am also aware that Mr Dornan is proposing a member's bill on strict liability. The consultation period is on-going and I look forward to seeing its results, in due course.

In the meantime, we will continue to work with the Scottish Premier Football League, the Scottish Football Association, clubs and other partners to ensure that the recently revised rules and associated guidelines on unacceptable conduct are robust, transparent and effective. The revised rules and guidelines are welcome, but without a

concerted and sustained effort, we will not be able to eradicate offensive behaviour from our national game. There is scope to do more, and I encourage the SPFL and the SFA to work to that end.

**Douglas Ross (Highlands and Islands) (Con):** I refer members to my declaration of interest as a football referee for the Scottish FA.

The minister will be aware that the advisory group also recognised the risk that strict liability could have unintended consequences. One of those unintended consequences would be the cost to clubs. A club in my region—Elgin City Football Club—has submitted a response to Mr Dornan's member's bill consultation saying that

"a system of strict liability would leave us open to crippling and business-ending costs".

What is the minister's response to that concern?

**Annabelle Ewing:** I hear what the member says. The process of Mr Dornan's consultation is, of course, on-going. I imagine that Mr Ross would wish to consider making his own representations to it, as well. The Government will consider and reflect on the results of that consultation when they are presented to us.

### Small Business Bonus Scheme (North Ayrshire)

**2. Kenneth Gibson (Cunninghame North) (SNP):** To ask the Scottish Government how many businesses in North Ayrshire pay no rates because of the small business bonus scheme, and how many will be exempt in 2017-18. (S5O-00788)

**The Cabinet Secretary for Finance and the Constitution (Derek Mackay):** The small business bonus scheme provides 100 per cent relief to around 2,100 properties in North Ayrshire in 2016-17 and is estimated to provide 100 per cent relief to around 2,300 properties in 2017-18.

**Kenneth Gibson:** I thank the cabinet secretary for that positive reply. That clear and concise work to reduce the rates burden for almost half of our small businesses contrasts sharply with the muddled thinking of the United Kingdom Chancellor of the Exchequer, who abruptly cancelled his ill-conceived proposed increase in national insurance contributions from self-employed people—who are often the very same folk that this Scottish National Party Government is helping with their business rates. Does the cabinet secretary agree that UK Tory ineptitude shows that small businesses in Scotland can rely only on the SNP to support and defend their interests?

**Derek Mackay:** I find myself—of course—in agreement with that point. This Government is delivering its manifesto as it relates to small

business. It has gone beyond the manifesto in lowering the tax rate to Scotland's small businesses—indeed to all businesses—through the poundage. In lifting 100,000 properties out of rates altogether through the small business bonus, lowering the tax rate and delivering that enhanced package, we have responded very well in delivering our mandate and our manifesto commitments.

In this Parliament of minorities, I have to reach out to the other political parties to get support for my budget. It appears that the Tory Chancellor of the Exchequer at Westminster could not even get the support of his own Tory members to support his budget proposition. We will keep delivering for Scotland.

**Daniel Johnson (Edinburgh Southern) (Lab):** I recently met Morningside Traders Association in my constituency. A number of its members have had relatively small changes to their rateable value, but because their rateable values take them over the £15,000 threshold and because of the removal of the 50 per cent tax band, they have had large increases in their rates bills. Their point was that removal of the 50 per cent small business bonus band has led to something of a cliff edge. What impact assessment has been made of the removal of that band and of the relatively large increases that businesses can experience from a small change in their rateable value over the £15,000 mark?

**Derek Mackay:** I remind Daniel Johnson that the Labour Party opposed all the reliefs and actions that the Government set out to support small businesses and businesses throughout Scotland.

In the budget, I detailed how local authorities could also assist businesses through local rates relief support. Therefore, there is a further opportunity for local authorities to assist, where they think they can go further than the national package.

There will be a full revaluation report that will, of course, be delivered through the actions of the assessors, who are independent of the Scottish Government. That report can set out the picture post revaluation. We have looked at the impacts of revaluation as we have responded through the course of the budget process and beyond, and I will continue to consider them to ensure that we have an excellent business rates regime that is competitive and supports people through revaluation.

Faced with the chaos from the Tory party and the opposition from the Labour Party, people can trust only the SNP to support businesses in this country to be able to respond to the challenges that they face.

**Jamie Greene (West Scotland) (Con):** It is interesting to hear the cabinet secretary talk about trusting the SNP. The reality is that official Scottish Government data show that nearly a third of all businesses in North Ayrshire will be hit by business-rate hikes. Because of revaluation, a number of small businesses are concerned that they will be taken out of the small business bonus scheme, and very little clarity has been provided on that. How many businesses in North Ayrshire will be taken out of the small business bonus scheme by the increase in their business rates? What assistance will the Scottish Government provide to those businesses?

**Derek Mackay:** That question ignores the answer that I gave to Mr Gibson. More businesses will benefit from the small business bonus, which the Tory party has opposed, and all businesses will benefit from the reduction in the poundage. That was the right action to take.

We have looked at the package of reliefs. If the Tories and the Labour Party want to look further at enhanced measures for support, maybe they should support local authorities in delivering such schemes.

A number of sectors have welcomed the actions that we have taken. I remind all members that many people have waited for the reduction in their business rates as a consequence of revaluation. More than half of all businesses will pay nothing, and 70 per cent of businesses will pay the same or less than they did before. That is the right package to support businesses throughout Scotland.

The full details of the impact of revaluation will come out as the assessors provide the final information, and I will look in future financial years to see what further support we can provide.

All the actions on business rates in this country have been totally undermined by the Tories and the Labour Party. They have made a lot of noise, but they have made absolutely no difference to supporting businesses in this land.

### **Town Centre Regeneration**

**3. Joan McAlpine (South Scotland) (SNP):** To ask the Scottish Government what support it provides to local authorities to help with the regeneration of town centres. (S5O-00789)

**The Minister for Local Government and Housing (Kevin Stewart):** The Scottish Government agreed the town centre first principle with the Convention of Scottish Local Authorities and all council leaders. The principle asks that the impact on the town centre be considered in all investment decisions as a starting point. I am pleased that the principle is gathering traction, with local authorities applying it to suit their own local circumstances.

We support local authorities through the measures that are set out in the town centre action plan, which sets the conditions and supports activity across the wider public, private and community sectors to tackle the key issues in town centres across Scotland.

We fund and support the Scottish empty homes partnership, which provides practical assistance to councils and others to help owners bring their empty homes back into use. It has been central to developing Scotland's network of empty homes officers, and 17 councils now have a dedicated empty homes resource. By April 2016, the empty homes partnership had assisted in bringing over 1,680 properties back into use.

To add to the range of tools that are available to tackle empty homes and property, we are committed to bringing forward provisions for compulsory sale orders as part of on-going land reform measures. However, more work is needed to ensure that any powers that are introduced are effective in tackling the impact of abandoned buildings, particularly those that blight town centres and neighbourhoods.

**Joan McAlpine:** Does the Government agree that the United Kingdom Government's insistence on charging full VAT for the restoration of buildings while new builds are zero rated has a detrimental impact on efforts to regenerate town centres?

**Kevin Stewart:** As Ms McAlpine points out, that remains a reserved matter. Regrettably, it is clear that the UK Government is not likely to give us a hearing on that matter.

Although we do not have hard data to support the member's statement, it is a logical conclusion that zero VAT would help in the regeneration of many of the properties that she has referred to. We are focused on other ways to support the regeneration of our historic town centres, for example through the provision of grant support, such as that disbursed under the conservation area regeneration scheme. That scheme, which is administered on behalf of the Government by Historic Environment Scotland, is aimed at addressing repair works to town centres and high streets where appropriate, bringing local vacant or at-risk buildings back into use.

I recognise that the member has a major interest in the topic and I intend to visit Dumfries, where I know she has been asking numerous questions on the issue.

**The Presiding Officer (Ken Macintosh):** Question 4 was not lodged.

### Anti-Semitism

**5. Jackson Carlaw (Eastwood) (Con):** To ask the Scottish Government what the outcome was of

the discussions between it and the Scottish Council for Jewish Communities regarding the adoption of the International Holocaust Remembrance Alliance's definition of anti-Semitism. (S5O-00791)

**The Cabinet Secretary for Communities, Social Security and Equalities (Angela Constance):** Scottish Government officials are due to meet the Scottish Council for Jewish Communities and the Community Security Trust on 23 March 2017 to discuss these issues. I refer the member to my written answer S5W-05829, which indicated that the Scottish Government agrees with the definition that has been adopted by the International Holocaust Remembrance Alliance.

**Jackson Carlaw:** I still receive regular inquiries from constituents in Eastwood, which is where the largest Jewish community in Scotland resides, and they are very grateful for the personal support of the First Minister, who recently attended an event in the community. I am grateful to the cabinet secretary for what she has said. I hope that we can achieve an early outcome in which Scotland can join the other Governments that have adopted the resolution.

**Angela Constance:** I am grateful to Mr Carlaw for the tone and tenor of his supplementary point. I also point out that, just a few days ago, in a written answer to Ross Thomson on the same issue, I replied:

"We agree with the definition produced by the International Holocaust Remembrance Alliance, and consider the resolution they have adopted to be a helpful guide to the different manifestations of anti-Semitism."— [Written Answers, 14 March 2017; S5W-07668.]

### Donald Trump (Possible Visit to Scotland)

**6. Patrick Harvie (Glasgow) (Green):** To ask the Scottish Government what communication it has had with the United Kingdom Government regarding a possible visit to Scotland by Donald Trump. (S5O-00792)

**The Cabinet Secretary for Culture, Tourism and External Affairs (Fiona Hyslop):** The UK Government has not communicated with us regarding a possible visit by the United States President. The Scottish Government wants to build a constructive relationship with the US Administration based on the shared fundamental values of equality, tolerance, diversity and human rights for all regardless of faith, race, gender or sexual orientation. However, the First Minister has made it clear that we would not support a state visit while the current travel ban is in place.

**Patrick Harvie:** I am a little surprised that the cabinet secretary thinks that those values are shared by the US Administration. However, it has

been widely reported that the UK Government is considering moving the state visit to Scotland, partly in order—apparently—to avoid public protest. Both Governments must surely be aware that millions of people around the world, and certainly many thousands in this country, stand ready to oppose the Trump regime and everything that it represents, and that, if there was such a visit to Scotland, it would be met with the biggest public protest seen in many years.

Can the Scottish Government assure us that Police Scotland will do nothing to limit or suppress that legitimate public protest, including non-violent direct action where appropriate? Can the cabinet secretary also confirm that the Scottish Government will not follow the UK Government's line of instructing its employees not to criticise Trump on their personal social media accounts?

**Fiona Hyslop:** The member raises a number of issues. In relation to solidarity with the values that I set out, I think that many people in the United States reflect those values, and we should respect those people. The member might be aware that, only a few hours ago, a judge in Hawaii placed a block on the current travel arrangements. I think that that will be supported by many people, not just in the US but internationally.

On the member's point about potential protests, I think that the people of Scotland have already made clear their intention to stand in solidarity with people who face a negative reception from the current US Administration. On his point about Police Scotland, we have a good record in this country of making sure that we support freedom of expression and protest that is done in a peaceful way, which should be policed accordingly.

On the member's final point, freedom of speech must exist in lots of forms and fashions, and it is regrettable if the UK Government is seeking to gag its own members of staff.

### **Airbnb (Business Rates)**

**7. Ash Denham (Edinburgh Eastern) (SNP):** To ask the Scottish Government whether the business rates review will consider the potential of charging properties marketed through platforms such as Airbnb. (S5O-00793)

**The Cabinet Secretary for Finance and the Constitution (Derek Mackay):** The Barclay review group has a wide remit to consider all aspects of the business rates system, including properties that do not currently pay rates, such as Airbnb lets. The group will make recommendations to the Government in July.

**Ash Denham:** Will the cabinet secretary update the Parliament on the work that is being undertaken by the regulatory review group on the

regulatory environment in Scotland for key sectors that are affected by digital disruption?

**Derek Mackay:** I understand that the review group has scoped research on impacts in the housing sector, which I hope will help to inform the review. All those matters can be taken into consideration as we respond to the Barclay review.

### **Equal Pay (Local Authorities)**

**8. Sandra White (Glasgow Kelvin) (SNP):** To ask the Scottish Government what measures are in place to ensure that there is equal pay for local authority staff across Scotland. (S5O-00794)

**The Cabinet Secretary for Communities, Social Security and Equalities (Angela Constance):** The Equality Act 2010 requires that women should be paid the same as men for doing the same or equivalent work. Local authorities, as employers, are responsible for ensuring that they comply with the 2010 act, and we expect all Scottish local authorities to comply with their legal obligations.

I urge councils that still have to settle outstanding equal pay cases to do so quickly, so that people are not waiting even longer following their loss of income.

**Sandra White:** The minister will know that the dispute on equal pay with 5,000 employees of Glasgow City Council has moved to the Court of Session on appeal, after the Employment Appeal Tribunal found in favour of the claimants. Does she agree that the council must stand by its promise to reach agreement over post-job evaluation pay arrangements and deliver pay equality for all those people?

**Angela Constance:** I am sure that the member understands that it would be inappropriate for me to comment on individual cases or an on-going legal matter.

Let me say very plainly that equal pay is not a matter of choice. It is a legal requirement for all employers, including local authorities. The Government and I have been consistently robust and public in our criticism of local authorities that are taking excessive time to settle equal pay claims. Some cases go back more than a decade, and the excessive delays are entirely unacceptable. We are right to expect local authorities and all public authorities to lead by example on something as fundamental as equal pay. I reiterate that local authorities must settle their claims and that they must do so soon.

**Stuart McMillan (Greenock and Inverclyde) (SNP):** Does the cabinet secretary agree that, when it comes to equal pay claims, the pension

contributions should also be included when an equal pay settlement takes place?

**Angela Constance:** I support that. It is important that anyone who has an outstanding equal pay claim, particularly women, gets what is due to them. We have to be clear in our expectations of that.

## First Minister's Question Time

### Engagements

1. **Ruth Davidson (Edinburgh Central) (Con):** To ask the First Minister what engagements she has planned for the rest of the day. (S5F-01028)

**The First Minister (Nicola Sturgeon):** Following yesterday's launch of the East Africa crisis appeal by the Disasters Emergency Committee, the Scottish Government will donate £200,000 to the appeal. The funds will support agencies to provide vital food and water supplies and medical treatment to those who are affected by the famine in South Sudan that was declared by the United Nations on 20 February.

Later today, I will have engagements to take forward the Government's programme for Scotland.

**Ruth Davidson:** On behalf of my party and myself, I thank the First Minister for that answer and welcome the Scottish Government's contribution.

How can the First Minister divert this country into another unwanted, divisive referendum when she cannot sort out issues in our local schools?

**The First Minister:** The education secretary and I work to raise standards and close the attainment gap in our schools each and every single day. That will continue to be our priority.

On the wider issues, the reality here is quite simple: I want to give people in Scotland a choice over their own future. We know that change is coming; the European Union referendum last year made that change inevitable. We know that the Tories want to lead us off a hard Brexit cliff edge. The people of Scotland should not have to simply accept being told what their future should be by a Conservative Government that we do not support. Instead, we should have the chance to choose a better future, and that is a choice that I intend to give the people of Scotland.

**Ruth Davidson:** I thank the First Minister for her answer to my question, but I wonder whether it would have been delivered in quite the same tone had she known that the question was not actually mine but was a question that was put to one of my MSPs earlier this week by a parent who contacted our office. That parent, like all parents at Deputy First Minister John Swinney's local high school in Blairgowrie, received a letter from the school head earlier this week to see whether a relative could fill in to teach maths because of a lack of cover. The parent was furious to see, on the very same day, the First Minister of Scotland standing in Bute house, putting her job to one side and threatening

to take Scotland back into another divisive referendum on independence.

When the First Minister meets parents who are frustrated with the decline in standards in schools, how does she explain to them that another referendum will help their child?

**The First Minister:** Let me address the situation at Blairgowrie high school. As the education secretary has said many times in the chamber and outwith it, a number of different parts of the country and specific subjects are facing challenges with teacher recruitment. That is why we have increased the intake of students to initial teacher education and why we have expanded the range of routes into teaching to make the process faster for those individuals.

Blairgowrie high school is seeking to identify properly registered teachers to come in and teach maths; of course, the law says that teachers have to be properly registered.

We will continue to address the challenges in our education system, as we will continue to address challenges that exist in health, education or any other area. It is because the people of Scotland see us addressing those challenges that they continue to have confidence in this Government to run this country.

On the wider issue, I see it as part of my job to protect Scotland's interests and to protect Scotland from the prospect of a hard Tory Brexit. The reality is that Ruth Davidson knows that Brexit will be a disaster. We know that because she told us that Brexit would be a disaster, but now she tells us that we simply have to accept Brexit—a hard Brexit—regardless of the consequences. Yesterday, we saw David Davis saying that the Tories have not even bothered to do an analysis of the costs of a hard Brexit. Luckily, analyses have been done by others, and we know that the path that the Tories are trying to take this country down could cost every household in the country more than £5,000.

The answer to Ruth Davidson's questions about the impact on young people in our country is that the impact of Brexit on everybody in our country is going to be disastrous. That is why I have a duty to allow people the choice to opt for something better.

**Ruth Davidson:** The truth is that a referendum will not help pupils in Scotland, it will not help patients to come off waiting lists, it will not help to solve the general practitioner crisis, and it will not cut violent crime; it will just take this Government away from the day job, which is supposed to be its focus.

Something else that parents are asking is how independence will help their school. This morning,

we read that an independent Scotland would be £11 billion in the red and would need higher taxes, lower spending and increased borrowing just to fill the gap. The same warnings were given before 2014—warnings that the First Minister chose to ignore. Is it her policy to ignore the evidence once again and carry on regardless?

**The First Minister:** Scotland has a deficit like the United Kingdom has a deficit. That is a deficit created on Westminster's watch. It is about time we had the tools and the ability to work our way out of deficits that Tory and Labour Governments have created in Scotland. [*Interruption.*]

Let us look at the alternative to independence, which is more Tory austerity, extending well into the next decade. Cuts to Scotland's budget by the Tories by the end of this decade will be 10 per cent in real terms. Ruth Davidson talks about "the day job". Yesterday, we saw the biggest U-turn from the Tories in decades, blowing a £2 billion hole in their budget. Because of Brexit, every household in the country could be facing a bill of £5,000.

I think that Scotland deserves a choice, and the choice is this: either to take control of our own finances to build, grow and innovate our way to a better future, or to allow the Tories to continue to make the same mistakes over and over again and make the situation worse.

**Ruth Davidson:** Earlier this week, the First Minister chose not to come before this Parliament to spell out her views on a referendum. I choose to put this Parliament first. [*Interruption.*]

The Scottish Conservatives reject the proposals that were set out by the First Minister on Monday. A referendum cannot happen when the people of Scotland have not been given the opportunity to see how our new relationship with the European Union is working, and should not take place when there is no clear political or public consent for it.

Our country does not want to go back to the divisions and uncertainty of the past few years. Another referendum campaign will not solve the challenges that this country will face. We do not want it; we do not need it. Why will she not listen? [*Interruption.*]

**The First Minister:** I was elected as First Minister less than a year ago. [*Interruption.*]

**The Presiding Officer (Ken Macintosh):** That is enough, please. Order.

**The First Minister:** They do not want to hear this, Presiding Officer.

I was elected as First Minister a year ago with the highest share of the constituency vote in the history of devolution, on a manifesto commitment that said that this Parliament should have the right

to hold another referendum if the Tories tried to drag us out of Europe against our will. That 46 per cent share of the vote is 10 percentage points higher than the 36 per cent share that the Tories used to have the EU referendum in the first place. We hear from the Electoral Commission this morning that the vote share that they got in the 2015 election was rather dodgy. [*Interruption.*]

This Parliament has an independence majority in it. Ruth Davidson says that she wants to put this Parliament first. I issue a direct challenge to Ruth Davidson and to the Conservative Party: if, on Wednesday next week, this Parliament votes for an independence referendum to give the people of Scotland a choice over their own future, will the Conservatives respect the will of this Parliament, or are they running scared?

### Engagements

**2. Kezia Dugdale (Lothian) (Lab):** To ask the First Minister what engagements she has planned for the rest of the week. (S5F-01027)

**The First Minister (Nicola Sturgeon):** Engagements to take forward the Government's programme for Scotland.

**Kezia Dugdale:** Andrew Wilson is responsible for rebuilding the Scottish National Party's battered economic case for leaving the United Kingdom. This week, it was reported that he told Nicola Sturgeon that it could take up to 10 years for Scotland's economy to recover if we left the UK. Does the First Minister think that a lost decade is a price worth paying to drag Scotland out of the United Kingdom?

**The First Minister:** The reports that appeared this week about the work of the growth commission were 100 per cent wrong—plain and simple—as Andrew Wilson has said. Contrary to what was reported, the growth commission is looking at how we get from the position that we are in right now—saddled with a deficit that has been created by Labour and Conservative Governments down the generations—to a stronger and more sustainable future.

The question for Kezia Dugdale is this—is she happy to see Scotland locked into Tory austerity, not just for the rest of this decade but into the next one? Is she happy to see Scotland at the mercy of Tory cut after Tory cut after Tory cut or, this time, will she stand up for the right of this country to choose a better future for itself?

**Kezia Dugdale:** If the First Minister is so confident of the contents of the work of the growth commission, she should publish its work, but of course, we have been here before—SNP ministers assert one thing in public and admit another in private. We all remember John Swinney's leaked paper, which warned of cuts to

our public services and to our pensions. Now, Andrew Wilson has revealed in private what Nicola Sturgeon refuses to admit publicly—that leaving the UK would be devastating for Scotland's economy. It would mean even more cuts for schools, hospitals and those who are most in need.

The First Minister said this week that she did not want a fact-free debate, so let us start with one fact that she cannot deny. Is it not the case that, according to her Government statistics, leaving the UK would mean £15 billion-worth of extra cuts?

**The First Minister:** The band is well and truly back together, is it not? Tory and Labour are combining again to talk this country down. Here is the reality—Scotland has a deficit that was created on Westminster's watch and we have to deal with that deficit whether or not we are independent. Is it not much better to have the tools and powers of independence to deal with that deficit in a way that is consistent with our values and not Tory values?

If we are not independent, we face years and years and years of Tory austerity. I do not want that for my country and I think that it is shameful that Labour now backs that for this country. However, Labour is all over the place on this; it cannot even get its own story straight. We have Kezia Dugdale telling us that Labour will vote against another referendum and we have Jeremy Corbyn telling us that UK Labour will not vote against another referendum—it is no wonder that Labour's new slogan is, "We are divided enough".

**Kezia Dugdale:** This matters because it is about the money that we have to spend on our public services. The First Minister used to say that education was the defining priority of her Government. Now even she laughs when journalists ask her if that is still the case.

The reality is that the Government will once again grind to a halt for years. Closing the attainment gap is not the priority any more; fixing the mess that the First Minister made of the national health service will be on the back burner; and investing in the care of the elderly can wait, too. Can the First Minister tell us this? Does she plan to spend the next few years leading a Government or a campaign?

**The First Minister:** As First Minister, I will continue to lead a Government that is focused on making sure that we raise standards in our schools and continue to improve the NHS, but do you know what? All those things get more difficult if we are subjected year after year to Tory cuts, which will be made worse by the hard Brexit that the Tories are pursuing and which Labour seems willing to support. It is absolutely shameful that, instead of standing up for Scotland, Labour simply

supports the Conservatives and whatever they want to do.

I want this country to take charge of our own future, so that we can build a better country than Labour and the Tories have managed to. When people have a choice—as I am determined that they will have—to say what kind of future they want, I will be arguing for this country to be in charge of its own finances and future and of building a fairer society and a stronger economy. Kezia Dugdale will be on the side of Ruth Davidson and Theresa May yet again, and her party will continue to die as a result.

**The Presiding Officer:** We have three constituency questions.

**Tavish Scott (Shetland Islands) (LD):** The First Minister will be aware that NHS Shetland has decided that Shetlanders with medical appointments in Aberdeen must now use the 14-hour overnight ferry service rather than take a 45-minute flight south. That policy will mean two days away from home and work for Shetlanders. There has been no consultation, and Loganair's managing director tells me that there has been no formal negotiation with the national health service on reducing flight costs to make savings.

NHS Shetland said last night that it could consider closing general practice surgeries or the maternity unit in Lerwick. If I suggested such a course of action, the First Minister would accuse me of scaremongering.

I ask the First Minister to tell her appointed board to reverse its decision until there have been commercial negotiations with Loganair and until there is a public consultation and a full understanding of what any change to the existing travel policy would mean for islanders from Unst to Fair Isle.

**The First Minister:** NHS Shetland has already provided assurance that decisions about travel arrangements will continue to be clinically led, and patients for whom ferry transport is not suitable will continue to be offered air travel. It is vital that the board ensures that it continues to provide high-quality direct patient care for the people of Shetland, and we will continue to work with it to reduce the number of patients who need to travel at all, for appointments or treatment, by expanding the use of video consultations on Shetland, for example. I will ensure that Tavish Scott's comments are conveyed to NHS Shetland, and I am sure that the Cabinet Secretary for Health and Sport will be happy to meet him to discuss the issues in more detail.

**Neil Findlay (Lothian) (Lab):** As politicians get all flustered about constitutional politics, back in the real world 400 workers face losing their jobs at Ethicon in Livingston, as Johnson & Johnson

threatens to close a plant that has been profitable for three decades. Will the First Minister agree to meet me and representatives from Unite the union, which represents the workforce, so that we can all see what we can do to retain jobs at Livingston?

**The First Minister:** Of course we will always be more than happy to meet unions and representatives of the workforce. We are already engaging with Johnson & Johnson; I and the Cabinet Secretary for Economy, Jobs and Fair Work have engaged directly with the company, as have our enterprise agencies, and we are exploring every possible support for the site. Detailed and intensive work has been done so far to look at what we can do to help to address immediate business challenges and to maximise the site's future potential. We will continue that engagement and continue to give as much support as we can to the workforce. As I said at the outset, we will be happy to meet representatives of the workforce at any time.

**Liz Smith (Mid Scotland and Fife) (Con):** In light of the recent traffic incidents on the Forth road bridge and the serious effect that they have had on residents and businesses in Mid Scotland and Fife and in the Lothians, will the Scottish Government undertake to have urgent talks with Transport Scotland to put in place measures in addition to the tougher penalties that the police are imposing on offending drivers, so that more is done to prevent the blatant disregard of traffic restrictions in the first instance?

**The First Minister:** This was another very regrettable incident on the Forth road bridge. A multi-agency response was quickly put in place to respond to the closure and people worked effectively to manage the associated travel impacts and to get the bridge reopened as quickly as possible. I thank everybody who worked hard to make sure that that happened.

Transport Scotland will shortly host a stakeholder conference to discuss what more can be done to prevent such incidents from happening and it will involve the office of the traffic commissioner for Scotland, Police Scotland, the Forth road bridge operating company, local authorities and industry representatives from the freight sector. We are also committed to the largest road investment programme ever, which includes the £1.35 billion Queensferry crossing project. As part of that investment, wind shielding is being fitted to reduce any wind-related closures on the new bridge. However, for the existing bridge, it is important that we continue to explore what we can do to avoid people flouting advice, which results in closures that should be completely avoidable.

### Cabinet (Meetings)

**3. Willie Rennie (North East Fife) (LD):** To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S5F-01025)

**The First Minister (Nicola Sturgeon):** Matters of importance to the people of Scotland.

**Willie Rennie:** Is it possible that an independent Scotland could be outside not only the United Kingdom single market but the European single market?

**The First Minister:** I want Scotland to be in the European Union and I want Scotland to be in the single market. That is why I think that it is important to give people in Scotland that choice. However, what we know right now—beyond any doubt—is that if Scotland does not become independent, we will be out of not only the EU but the single market. By considering independence, we of course give ourselves the ability to secure a relationship with Europe and to secure the jobs, the investment and the collaborations that depend on that. That is why giving people in Scotland the choice is so important.

**Willie Rennie:** The First Minister dodged the question. It was a simple question: could we be out of both single markets? The answer is yes. The reason is this: it is just as difficult to get into the European single market as it is to get full EU membership, because all 27 EU members would need to agree. We heard from the Spanish Government again yesterday on that. Her route guarantees nothing; it is exactly the same hurdle. That is why her plans could leave us outside both the UK and EU single markets. If she thought that a Conservative hard Brexit was going to be damaging, just wait for that. It is absurd to use the EU as an excuse for another referendum when there is no guarantee that Scotland could get back into the EU. She is sooking up to the Eurosceptics on her side while cynically selling out the pro-Europeans on the sly. Why cannot she just admit that?

**The First Minister:** Of course, Willie Rennie spends most of his time sooking up to the Tories, so I will take no lessons from him. However, I really cannot believe the brass neck with which Willie Rennie has just asked that question. We should remember that Willie Rennie is one of the politicians—Ruth Davidson and Kezia Dugdale are another two—who in 2014 looked the people of Scotland in the eye and said, “If you vote no in the referendum, your membership of the European Union is secure; and if you vote yes, Scotland will not be allowed in.” Two and a half years later, when that unionist alliance has contrived to make sure that we face being taken out of the European Union against our will, they have the absolute temerity to stand up again and try to scaremonger

that independence is putting our EU membership at risk. That is absolutely breathtaking in its hypocrisy, and the people of Scotland will simply not fall for it again.

**Willie Rennie:** We know that the more the First Minister blusters, the more she hides the truth. I ask the question again. Will Scotland be guaranteed to be a full member of the European Union, or not? Can she guarantee that? If she cannot, it is all just bluster again.

**The First Minister:** Independence gives us the ability to be in the EU to secure a relationship with Europe. Not being independent guarantees that we are out of the EU and out of the single market.

Willie Rennie—who, I think, has a PhD in bluster—has a position here that is completely incoherent. He wants there to be a second referendum across the UK to give the people of the whole UK a choice even though he knows that there is not a chance of that happening, yet here in Scotland, where there is the opportunity for people to have a choice, he is completely opposed to that. According to Willie Rennie, we just have to accept a Tory hard Brexit come what may.

I think that it is about time people in Scotland had a choice so that we can take the future of our own country into our own hands.

**James Dornan (Glasgow Cathcart) (SNP):** Will the First Minister tell us whether discussions were held with the Treasury ahead of the planned national insurance tax hike, or at the point when the Conservatives realised that they had broken their manifesto promise, or before they decided to U-turn, or even after yesterday’s embarrassing climbdown, given the impact that it would have on many self-employed people across Scotland?

**The First Minister:** There were no discussions with the Treasury either about the original policy or about the embarrassing U-turn yesterday. The Tories are in complete and utter chaos. We have had lectures—have we not?—week after week after week from the Tories here about tax, yet it was a Tory Government that was going to hike up taxes on self-employed people and then, of course, in a screeching U-turn, changed its mind.

We will get on with doing our best to deliver for the people of Scotland while the Tories continue to descend into utter chaos.

**Andy Wightman (Lothian) (Green):** This week, I learned in a response to a written question that, among 120 secondments into the Scottish Government, which come almost universally from other bodies in the public sector, was one from the Association of Salmon Fishery Boards. That comes on the back of a previous answer that revealed that the director of policy at NFU Scotland has been embedded within the Scottish

Government since November 2016. Three days a week, he works lobbying the Scottish Government on behalf of his organisation, and for two days he works at the heart of Government, developing policy. Does the First Minister believe that that is a healthy development? Will she explain the purpose of having those representatives of the landed class at the heart of Government? Does she agree that there is an obvious conflict of interest?

**The First Minister:** No, I do not. I know that it is not fashionable these days to consider the views of experts as being worth listening to, but I think it is right that, in Government, we have expertise from a range of different areas helping to inform and develop Government policy. We have that from a range of different interests so that a broad spectrum of expertise is feeding into Government policy.

I am happy to correspond with Andy Wightman if he has particular concerns but, in general, for the Government to use the expertise that exists across our country is a good thing that should be welcomed.

**Rona Mackay (Strathkelvin and Bearsden) (SNP):** How will people be given the opportunity to shape Scotland's new social security system?

**The First Minister:** Key to the design of our social security system, as we have said, is working alongside people who have direct personal experience of the current social security system. We want to hear directly from them about what works, what needs improved and what our new system can do to better support them.

From today, people across Scotland will begin to receive letters inviting them to join the experience panels that will shape our new social security system. The invitations have been sent to 18,000 people who have recent or current experience of the system. I hope that people will take the time to look at the invitation and join the panels and will take the opportunity to be part of building a new social security system in Scotland that will have fairness, dignity and respect at its heart—all principles that are missing from the social security system that is currently under Westminster's control.

### Pupil Equity Fund

**4. Clare Adamson (Motherwell and Wishaw) (SNP):** To ask the First Minister what guidance the Scottish Government has issued regarding the use of the pupil equity fund. (S5F-01032)

**The First Minister (Nicola Sturgeon):** On 1 February, the Deputy First Minister announced the pupil equity funding school-level allocations for 2017-18. Draft national operational guidance was published on the same day and was issued to

local authorities and direct to schools. The guidance sets out clear principles to support schools and local authorities to work in partnership and to plan how to effectively invest the additional £120 million in order to raise attainment and close the attainment gap. I have been absolutely clear—as has the Deputy First Minister—that that funding must be used at the discretion of headteachers; it must be additional to existing provision; and it cannot be top-sliced for other purposes. It must be used to improve the educational outcomes of children most affected by poverty.

**Clare Adamson:** The First Minister will be aware of reports that North Lanarkshire Council has proposed that headteachers return a considerable proportion of the pupil equity fund to the general education fund. The pupil equity fund is intended to go direct to headteachers for the benefit of the most deprived children in Scotland, to help to address the attainment gap. Does the First Minister share my concern that that is an abhorrent proposal from a Labour council?

**The First Minister:** I am indeed aware of the issues raised in relation to North Lanarkshire's pupil equity funding. I am particularly disappointed that the Labour council has chosen to cut classroom assistants. It made that decision on 23 February despite the options open to it to avoid that. The expectation that headteachers should then subsidise that cut with their pupil equity funding is simply unacceptable. Those issues have been raised with the council and discussions are continuing. I very much hope that the council will reconsider its approach.

It is important to be very clear. The Scottish Government will release that funding only if the council agrees that it goes to the schools, as intended, and that it is not used by it to pay for existing resources. Anything else would, quite frankly, be a betrayal of the disadvantaged children of North Lanarkshire.

**Iain Gray (East Lothian) (Lab):** North Lanarkshire Council is facing a £27 million cut to its core budget. It is trying to protect and enhance the jobs of over 200 classroom assistants—precisely to raise attainment and close that gap. It is supported by the Educational Institute of Scotland, by Unison and by its headteachers, 77 of whom have written to the Deputy First Minister to say so. In response, the Scottish Government is threatening to cut almost £9 million more from the council's budget. Will the First Minister explain how that politically motivated blackmail is supposed to help schoolchildren in North Lanarkshire?

**The First Minister:** Interestingly, Iain Gray omitted to tell us about something else that North Lanarkshire Council is choosing to do, which is to freeze its council tax next year. Clearly, having

asked the Scottish Government for the ability to put its council tax up, the council has decided that it does not need that money and that, instead, it will try to pilfer resources from the pupil equity fund.

This Parliament was very clear that the pupil equity funding—£120 million of it—was money to go direct to schools, to be used at the discretion of headteachers. Iain Gray tells us that, apparently, there are people who support the council's approach. As I understand it, the Association of Directors of Education in Scotland does not support it. The issue is quite simple: that is money that we want to give direct to headteachers and direct to schools, but North Lanarkshire Council wants to use it for something else. We are determined that that money will go direct to schools. It is utterly shameful that the Labour Party is defending an approach that would see the money used by North Lanarkshire Council to fund things that are its responsibility to fund.

**Brian Whittle (South Scotland) (Con):** In light of that controversy, I ask the First Minister what measures will be put in place to assess whether the key principles behind the pupil equity fund—namely, that headteachers will have access to the full amount and that spending must be on additional activities to those currently employed—will be adhered to?

**The First Minister:** The guidance that I referred to in my first answer is there to ensure that there are clear principles to guide how the money is used and our monitoring and assessment of the benefits of the money.

Let us get back to the core issue. Week after week—rightly and understandably; I have no complaint about this—members of the Opposition come to this chamber and raise the issue of the attainment gap. I have said repeatedly that closing that gap is my priority. That is why we set up a pupil equity fund of £120 million, which is being directed to schools to help, in particular, young people living in disadvantaged circumstances. That is what the fund is all about and why it is so deeply concerning that we have a local authority that sees the opportunity to make a cut in its budget and substitute that cut with money from the pupil equity fund. That is not what it is for; that is not what it is about. If that approach is allowed to continue, frankly, that would be a betrayal of the most disadvantaged pupils in North Lanarkshire who are meant to benefit from the fund. As First Minister, I am not prepared to allow that to happen.

### Gun Crime

**5. Annie Wells (Glasgow) (Con):** To ask the First Minister what action the Scottish Government is taking to tackle gun crime. (S5F-01034)

**The First Minister (Nicola Sturgeon):** The number of recorded crimes and offences in Scotland involving firearms has fallen by nearly three quarters in 10 years. Firearms crimes where a person was killed or injured fell by more than 25 per cent between 2014-15 and 2015-16.

The Scottish Government has taken action. We have some of the strongest firearms legislation in the world, which we have strengthened further with our new air weapon licensing regime. Police Scotland is committed to tackling gun crime and clear-up rates for those offences remain high.

There is no room for any complacency. Recent incidents show that we must keep the situation under review and continue to address gun crime wherever it occurs in our communities.

**Annie Wells:** That response will be of little consolation to the people of Glasgow, a city that has seen five separate incidents of serious gun crime in the past 12 months alone. We know that, between 2014-15 and 2015-16, cases of attempted murder or serious assault increased in Scotland by 27 per cent. We know that, despite the attacks mostly being targeted, the crimes are taking place on the streets. One crime in Glasgow happened outside a primary school. What conversation will the First Minister have with Police Scotland to ensure that such crimes do not take place on our streets and that innocent bystanders are not put at risk?

**The First Minister:** Those are really important issues. Let me be clear: both I and the Cabinet Secretary for Justice are periodically updated and briefed by the police on the types of incident to which the member refers; we are also updated on the police's work to try to combat such offences.

It is important to reiterate that gun crime, generally, is falling. As I said, it has fallen by nearly three quarters in the past 10 years and crimes where a person was killed or injured by a firearm fell by 25 per cent between 2014-15 and 2015-16.

The incidents to which Annie Wells refers in Glasgow—the part of the country that I represent—are deeply concerning. One of the incidents was in my constituency. According to the police, those are targeted incidents linked to serious and organised crime. That makes it very important that the police continue to use the resources and the intelligence that they have to deal properly with the offences and to bring to justice those who are responsible.

The police will continue to update the justice secretary and me on those important issues, but we should not allow them to take away from the fact that gun crime generally is falling. Although we should not be complacent, that is a good thing

and it should give reassurance to communities all over the country.

### Unit Assessments (Changes)

**6. Daniel Johnson (Edinburgh Southern) (Lab):** To ask the First Minister how the Scottish Government will ensure that changes to unit assessments will not increase teacher workload, in light of reports that 63 per cent of teachers believe that they will. (S5F-01060)

**The First Minister (Nicola Sturgeon):** The Deputy First Minister announced the changes to the qualifications following discussions with the working group on assessment and national qualifications and the curriculum for excellence management board. The Scottish Secondary Teachers Association, whose survey is being referred to, is represented on both groups.

The changes mean that teachers and young people will not have to undertake formal unit assessments during the year, which teachers and others had told us were significantly contributing to workload. Indeed, the moves were welcomed by teacher unions last year.

We continue to work with partners, including the Scottish Qualifications Authority, Education Scotland and teacher unions, to ensure that workload is reduced as a result of the changes. The assessment and national qualifications group is meeting this afternoon and will continue to discuss the implementation of the changes.

**Daniel Johnson:** John Swinney came into his new job promising to slash teacher workload and burden, but this survey reveals that teachers think that the changes to unit assessments will increase, not decrease, their workload, especially in science. What work has been done and assessment made to ensure that these measures have a positive impact on teacher workload? Can the First Minister reassure the chamber that this will not lead to yet another embarrassing setback and delay arising from the Deputy First Minister's ill-thought-through reforms?

**The First Minister:** I am not sure that Daniel Johnson listened to my first answer, because he would have found there the answer to the question that he has just asked me.

First, the reforms that Mr Johnson has talked about as being ill judged and rushed were actually reforms that teacher unions wanted. They are not the only changes that have been made to reduce teacher workload and the unnecessary bureaucracy that teachers have to deal with, but they play an important part in that, and that is their intention.

Clearly, it is important to take steps to ensure that the integrity of the exams system is not

undermined and, in response to the member's previous question about what we are doing, I referred to a meeting this very day of the assessment and national qualifications group in order to ensure that the concerns that have been highlighted in the survey that he referred to do not materialise and that these changes, which have the intention that I have just outlined, turn out to deliver in reality.

We will continue to work with teachers and others to make sure that that is the case, and I would have thought that Daniel Johnson would have welcomed that.

**Gillian Martin (Aberdeenshire East) (SNP):** The fact that this Government has listened to teachers' concerns about workload is welcome both for them and for children and young people. Will the First Minister advise the chamber on the other measures that are being taken to free up time for teachers to teach?

**The First Minister:** As I said to Daniel Johnson, addressing the issue of workload has been a priority for the Deputy First Minister. Literally thousands of pages of guidance have already been stripped away, and a teacher panel was established to test proposals to reduce workload that go beyond those that are the subject of this particular question. Last year, every teacher in Scotland was sent a clear and concise statement on curriculum for excellence along with benchmark guidance on literacy and numeracy, and that definitive guidance makes it clear what teachers should and should not be required to do.

We are determined to take the actions that will free teachers from unnecessary bureaucracy and workload. Indeed, we are determined to free them to do what they do best: raise the bar for all and close the attainment gap in our schools.

**Jeremy Balfour (Lothian) (Con):** We have heard today from the Scottish Secondary Teachers Association about the crisis in recruiting headteachers because of workload. With regard to the Scottish Government's claim to be committed to reducing teacher and headteacher workload, does the First Minister agree that that is absolutely not happening and that there is now a real threat of a lack of leadership in schools because people simply will not apply to become headteachers?

**The First Minister:** No, I do not agree; actually, I fundamentally disagree. We have listened to teachers, including headteachers, and we have taken steps, some of which I have outlined today, that will reduce unnecessary—and I stress the word “unnecessary”—workload for teachers. We are doing that in partnership with teachers.

I understand that, as we go through the process, we will hear the kind of scepticism that we have heard from the SSTA about the effect of these

changes, and it is our job to make sure that the changes are implemented in a way that will have the desired effect. We are listening; we are introducing these changes; and, as I have said in previous answers, we are getting on with implementing them to ensure that we make an appreciable difference to the workload of teachers in our schools across the country.

**The Presiding Officer:** That concludes First Minister's questions.

**Mike Rumbles (North East Scotland) (LD):** On a point of order, Presiding Officer. During question time, the First Minister made it clear that it was important to listen to the will of Parliament. Last week, the Government lost a vote in Parliament and the week before, it lost two votes in Parliament. On those occasions, Presiding Officer, you said from the chair that those votes were non-binding, and I would like to hear another ruling from you on whether the votes after the debate next Tuesday and Wednesday will be non-binding, too.

**The Presiding Officer:** As the member knows, motions of this Parliament are not binding, and that was not a point of order.

## Non-domestic Rates (North East Scotland)

**The Presiding Officer (Ken Macintosh):** The next item of business is a members' business debate on motion S5M-03651, in the name of Ross Thomson, on the impact on north-east businesses of the hike in non-domestic rates. The debate will be concluded without any question being put.

*Motion debated,*

That the Parliament understands that, as a result of the 2015 revaluation, businesses across the North East Scotland region are facing enormous increases in their non-domestic rates; believes that this impacts on companies across a range of sectors, including hospitality, oil and gas, engineering and retail, with some being subjected to increases in excess of 200%; considers that this represents a substantial hike in charges that will render it extremely difficult for some to avoid liquidation; welcomes the Press & Journal campaign, which, it understands, aims to highlight a number of compelling examples of businesses that will be adversely affected by the increase, and notes the calls for the Scottish Government to take expedient and meaningful action to address this issue and to seek a solution to ease the impact of this.

12:46

**Ross Thomson (North East Scotland) (Con):** I am delighted to have secured this members' business debate, and I thank members for the cross-party support that has enabled it to take place.

Businesses right across the north-east have been desperately crying out for help with their business rates revaluation. Business owners warned of the devastating impact that it would have on their business and their community if nothing was done to help. I launched a petition that called for support and which accumulated more than 2,000 signatures in the space of only 48 hours. Businesses told me time and again that they risk going to the wall, which would result in the loss of jobs, if something is not done. I am proud to speak for each and every one of those businesses this afternoon.

Sadly, the Scottish Government simply tried to pass the buck. From the outset, we were told that the Government would not intervene because this is a matter for the independent assessor and local councils to deal with. To give credit to Derek Mackay, he came to Aberdeen to hear for himself the very real concerns of local businesses. However, the Government's attempt to dress up "extra" funding for all Scottish councils as income that could be used to mitigate business rates rises fooled no one in the north-east business community. Aside from the fact that every council in Scotland received a top-up, with only Aberdeen City Council and Aberdeenshire Council being

expected to spend that income on rates relief, Mr Mackay and the Scottish National Party declined to mention the fact that the overall budgets for all local authorities were still being slashed. A cut is still a cut.

Only now, after the criticism of his Government hit the national press and Mr Mackay faced calls to make a statement to Parliament, are we seeing action. The cabinet secretary made a “screeching, embarrassing U-turn”, to quote an Angus Robertson phrase. That followed hot on the heels of the reversal of the ill-thought-out plan to raid north-east council budgets and send the income to the central belt.

A 12.5 per cent cap will be welcomed by the hospitality sector and will make a difference to the hefty bills that have been levied on office premises in the north-east. However, based on the Scottish Government’s own figures, it appears that around 8,000 businesses in the region will not benefit from the changes. Furthermore, the cap will be in place for only one year. Businesses say that they need certainty over at least three years. The Scottish Chambers of Commerce hit the nail on the head when it said that the Government’s so-called bespoke solution for the north-east will not deal with the root of the problem. It is nothing more than a sticking plaster.

It is crystal clear to everyone in the north-east that a fundamental re-examination of the whole business rates system is essential, so I hope that the recommendations of the Barclay review will provide much-needed relief and support for businesses in the north-east.

However, the cabinet secretary is right about one thing: the north-east is facing “exceptional circumstances”. But what is he going to do about it? Aberdeen City Council and Aberdeenshire Council have identified sums of money to help to alleviate the problem, in the face of savage cuts to their budgets from the Government.

**The Minister for Local Government and Housing (Kevin Stewart):** Mr Thomson rightly identifies that local authorities have the ability, under the Community Empowerment (Scotland) Act 2015, to put in their own rates relief schemes. Why is it that Tory councillors in Aberdeenshire and Aberdeen have voted against such schemes, and has Ross Thomson told businesses across Scotland when he has been going out and about that that is what his Tory colleagues have done on both councils?

**Ross Thomson:** Mr Stewart obviously spends more time in Edinburgh than he does in the north-east. If he had allowed me to continue, he would have heard what I am about to say, which is that I am pleased with the role that I have played in securing £3 million in local funding for rates relief

in Aberdeen. If Derek Mackay is true to his word that the north-east faces “exceptional circumstances” and that he is willing to work with local councils, I am sure that he will match that funding and will happily accept Aberdeen City Council’s invitation to him to meet and discuss that programme. Match-funding such a scheme could allow councils to support the businesses and sectors that are currently not being helped by the Scottish Government cap.

Mr Mackay has the money to do it, because he can use some of the £320 million extra from the United Kingdom Government to put in place funding for councils to support businesses that are affected by rates rises. The UK Government has announced a £300 million relief fund for local authorities for business rates relief in England. I tell the Scottish Government today that business rates rises and increases are not something that it can ignore and hope will go away. More must be done.

Mr Mackay says that local councils keep every penny of business rates that they raise; it has recently come to our attention that Aberdeenshire Council will raise £23 million more than was allocated by the Scottish Government in its local government settlement. Will the Scottish Government provide a cast-iron assurance—it likes those—that those missing millions will stay in the local area and will not be swallowed up here in Edinburgh?

**Gillian Martin (Aberdeenshire East) (SNP):** I have seen the “missing millions” catchphrase in the local press. I am surprised that Ross Thomson, as a sitting councillor, does not understand how council budgets work. I have not been a councillor, but I understand that money is allocated to councils over a five-year period, and that budgets are not based on the tax take of one year.

**Ross Thomson:** As a sitting councillor, I can tell Gillian Martin that last year, just as this year, we had to set a one-year budget. The Government is giving us no clarity on our future. We have to set our budget looking into the future without knowing what that future is going to be. We keep getting told that we keep every single penny of non-domestic rates, but we do not. That is the evidence that was presented to Aberdeenshire Council and it is the evidence that I am providing to Gillian Martin this afternoon.

It is our duty to do all that we can to help businesses, particularly those in the north-east that have endured difficult times due to the downturn in oil and gas. Unfortunately, Scottish National Party tax policy on non-domestic rates, the large business supplement, council tax, income tax and stamp duty are hindering

economic growth and hammering our region. It is time to do more.

12:53

**Mairi Evans (Angus North and Mearns) (SNP):** I remind members that I am the parliamentary liaison officer for the Cabinet Secretary for Communities, Social Security and Equalities, and that I am also a sitting councillor.

I thank Ross Thomson for lodging the motion and for allowing us to discuss a vital issue in the chamber today. It is an issue that I am sure has dominated other members' mailboxes in recent times, as it has mine.

I was initially contacted by the Belvedere hotel in Stonehaven, whose proprietors raised concerns about the increases affecting businesses in the town—hospitality businesses, in particular—and I met them and many others. The Belvedere hotel faced a 106.6 per cent increase in rates. It was by no means alone. One guesthouse was facing a 250 per cent increase in its rates, which was substantially above the 37 per cent average increase nationally. The business owners whom I met in Stonehaven had compiled a list of all businesses, highlighting those that would be affected. Of 355 businesses, 87 were affected by the revaluation. A number of those were hospitality businesses, but there were other problem areas.

I was contacted about another case by a landlord on behalf of the tenant, regarding a building for agricultural use. The use was queried by the assessor's office, which has yet to make a final decision. In the meantime, the tenant is being asked to pay £130,000 worth of rates as well as an extra £13,200 surcharge for the writ they received demanding the payment.

Then there are retail premises. I recently met the owners of the hardware store in Laurencekirk, who told me about the 100 per cent increase in their business rates. That is a business that has not made alterations or grown in size and that has, over the past few years, seen its footfall and takings drop. The decline in footfall for that business started when the banks pulled out of town. The people from the surrounding areas who went to Laurencekirk to use a bank would frequent the shop. That is a slight side point, but one that highlights the impact that such closures have on our rural communities. Had the rates not increased there, the business would now be eligible for the extension of the small business bonus, although it may well still be if it is successful on appeal.

It is not just the actual increases themselves that are the problem. Those individual cases highlight the fundamental problems that there are with the current rates system: how the rates are determined, how the valuations are reached, their

frequency and the appeals process. Businesses can appeal, but although they have six months to lodge an appeal, the problem lies, as the Belvedere pointed out to me, in that they have potentially to wait another two years for the appeal to be heard, during which time the higher rates have to be paid. That is enough to force some businesses under.

The Barclay review, which is expected in the summer, will be of fundamental importance. I sincerely hope that it will address some of the concerns that have been raised with by local businesses in my constituency, and across the region. The Scottish Chambers of Commerce and the Federation of Small Businesses in Scotland, among many others, have called for changes to the system to address the problems, and have asked for a reduction in bureaucracy, more transparent processes, more frequent valuations and a system that is more adaptable to our changing economy, which is of fundamental importance in the north-east. They also call for a system that incentivises business creation and investment.

While all of us eagerly anticipate the outcome of the Barclay review in the summer, we also need to recognise the good news in all this: tens of thousands of businesses have been lifted out of business rates altogether by the measures that have been taken by the Government.

**Liam Kerr (North East Scotland) (Con):** Will the member take an intervention?

**Mairi Evans:** I am sorry, but I am in my closing seconds. I will happily discuss the point with the member after.

Of the businesses in Stonehaven that I mentioned earlier, 54 have benefited from the new threshold, which has lifted them out of rates altogether, while the remainder of the 355 pay no rates at all. Extra relief packages have been introduced by Aberdeenshire Council, over and above the support that was announced by the Government a few weeks ago, which have helped many of the businesses that contacted me initially. I would have hoped that there would have been more support for that from Mr Thomson, but given his party's actions or—should I say?—lack of action in Aberdeen and Aberdeenshire, I suppose that I cannot be surprised at some of his comments.

One thing is for sure: while the Tories will continue to carp from the sidelines, the SNP will be the party that continues to work for our communities, and for all the businesses in our communities.

12:57

**Liam Kerr (North East Scotland) (Con):** I thank Ross Thomson for bringing this issue to the chamber. It is without doubt one of the biggest issues that we face in the north-east right now.

I want to highlight the impact on a sector that has had little mention in the chamber but which, according to Gary Walton of [businessratesadvice.com](http://businessratesadvice.com),

“has been particularly hard hit”.

That sector is our nurseries. Nurseries in the north-east are facing an increase of, on average, 50 per cent in their rates.

**Gillian Martin:** It may be handy for Liam Kerr to know that not one nursery in Aberdeenshire will not be assisted by the new business rates relief schemes that have been put forward by the administration of Aberdeenshire Council.

**Liam Kerr:** I thank Gillian Martin for her incorrect intervention because—as I will go on to talk about—I have a particular example. Perhaps she should have given me longer to develop the argument.

Nurseries in the north-east are, on average, facing an increase of 50 per cent in their rates, with the highest increase being a staggering 177 per cent. More than one faces the prospect of closing its doors completely in the face of such increases. All that, of course, is in the context of the Scottish Government’s aim to increase free childcare from 600 to 1200 hours per year. Councils across the country already face a dilemma about where to put children because there are not enough nursery spaces—a problem that will only be exacerbated if nurseries close.

Last week, in response to a huge number of emails from many nurseries and their clients on that issue, I visited a Croft Nurseries Ltd nursery in Stonehaven. That nursery and Croft’s two other sites in Stonehaven and Chapelton are excellent establishments. They are exemplars of good practice with good facilities and have used innovative thinking to build the best environment for children. They were built over 25 years by entrepreneur Linda Pirie. Linda’s three nurseries now face rates increases of 54 per cent, 28 per cent and a staggering 82 per cent. She faces a choice: she can hike prices to parents, many of whom cannot pay, because north-east unemployment is rising and pay freezes are biting—it therefore makes more sense for parents, especially women, to stay off work and provide the care themselves—or she can close. Linda began to cry as she told me that. This is real—real people, real families, real businesses and real jobs are involved.

Three weeks ago in Laurencekirk, I sat with a number of local businesses that had got together after receiving no responses to their letters to the SNP. They asked me to go down and see them in a town that has lost key facilities that draw people in, including its petrol station and its bank, in the context of an oil sector downturn and reduced footfall across the board.

I was particularly concerned about Mearns Hardware Ltd—I believe that Mairi Evans visited it this week. It is a small retail hardware shop on the High Street whose rates are going up by 100 per cent. At best, it might have to cut the hours of its staff; at worst, it will close its doors completely. That would be yet another empty property on one of our high streets, more redundancies in the local economy and another loss to Laurencekirk.

Thanks to Scottish Conservative pressure and the excellent campaign by *The Press and Journal*, we secured a 12.5 per cent cap for the hospitality sector and office space. However, as I have frequently pointed out in the chamber, more than 10,000 businesses in the north-east still face increases in their bills and getting no relief at all from the Government.

At general question time today, Derek Mackay trotted out his line that the councils might help if people like Linda Pirie beg them. However, as we all know, Aberdeenshire Council is one of the lowest-funded councils in Scotland and faces further swingeing cuts. The Government will say that people should appeal. However, as Linda told me just yesterday, retaining an expert to do that on their behalf is another cost, and people are expected to pay until an appeal can be heard—in two years, at least.

Those businesses say, “I see you and the north-east Conservatives trying hard. I see the P and J campaigning to try to save us. I have not heard anything from the SNP constituency MSPs.” They are right. When the people of the north-east need their MSPs to stand up to the Scottish Government on this, as on so many other issues, they are met with stony silence. Linda Pirie has written again to the First Minister. She did not get a reply last time. Will the First Minister bother to respond this time? We shall see.

I commend Ross Thomson’s motion for the dangers that it highlights and for highlighting the terrible consequences for the north-east if the Government does nothing, and I fully congratulate *The Press and Journal* and thank it for its effective campaign.

Earlier today, Derek Mackay said that the Government will support people through revaluation, and he asked us to trust him to support businesses. Okay—now is the time to

deliver and help our businesses, before it is too late.

13:02

**Lewis Macdonald (North East Scotland) (Lab):** I, too, congratulate Ross Thomson on bringing the debate to Parliament.

All members who represent the north-east should know just how tough times have been for the Aberdeen city region in the past two years. However, for many people who run businesses, the rates revaluation has seemed to be the final straw. Part of the problem is that the new values that have been placed on their premises are not based on their rental value now, two years into the downturn; instead, they are based on a tone date of 1 April 2015, when the impact of the falling oil prices had not yet worked its way through the supply chain or the regional economy.

All the trend statistics over the past two years confirm that Aberdeen and Aberdeenshire have been hardest hit by the downturn, whether through the increase in unemployment or the fall in property prices and values. None of that is reflected in the rates revaluation.

This is not about appeals by individual businesses. Ministers have responded to questions that I have asked by standing up in Parliament and saying that any business can appeal and that the issue is therefore not for the Government. That simply insults the intelligence of ratepayers. If everyone whom a person knows is in the same situation and the person knows that the whole of their sector across their city region has been overvalued, they will know that the issue is not the individual assessment, but the overall approach. Ministers have recognised that that is true—if only for some sectors. The fact that they have recognised it at all is welcome, but the problem is that capping two sectors without addressing the root problem of assessments in Grampian has only exacerbated the problem for everybody else.

Ministers have not explained why they accept that there is a sectoral problem in office accommodation and hotels, but do not recognise the same need for action for nurseries and childcare. The Bridges Pre-School Nurseries—in Westhill and Bridge of Don—is facing an increase in rateable value for its premises that is equivalent to more than the cost of an additional member of staff. I am sure that the same is true for Linda Pirie, whose business in Stonehaven and Chapelton was mentioned by Liam Kerr.

Ministers accept that the downturn in the price of oil and gas has hurt the Aberdeen city region's economy, but with the selective caps they have done nothing to mitigate the impact of the

revaluation on companies in the oil and gas supply chain. North Sea Compactors is a specialist engineering company that designs and manufactures heavy-duty waste compactors for offshore platforms and drilling rigs. It is facing a 100 per cent increase in rates. Graham Dawson Body and Paint Shop Ltd faces a revaluation that has taken it over the threshold, so that it no longer benefits from any rates relief as a small business, but the amount of business that it does has not increased at this difficult time. Like others, Graham and Linda Dawson fear that the increase that they face could put them out of business.

Ministers have implicitly accepted that there is a structural problem with the revaluation in the Grampian area, given regional economic circumstances, but they still respond to questions as if appeals by individual companies are the only solution.

Precision Oil Tools may well appeal against its 60 per cent increase in rates. Its previous rating bill was calculated in March 2015, only weeks before the nominal date of the current revaluation, yet its bill has gone up by 60 per cent. Even if Precision Oil Tools decides to appeal, it knows that it will have to pay the new rates in full in the meantime, and it is deeply concerned by what that may mean for its loyal and hard-working staff in the next few weeks.

The Scottish Government must act to sort out the problem. It is the Government's responsibility and it must provide local councils with additional resources to let them take the action that is so urgently required, not just in hospitality and office accommodation, but in nurseries and child care, the oil and gas supply chain and across the economy. Only if all businesses are treated fairly in these tough times will all business owners believe that their voices are being heard. I urge ministers to act now, before businesses have to lay off workers to pay their bills, or go to the wall altogether.

13:07

**Alexander Burnett (Aberdeenshire West) (Con):** I refer members to my entry in the register of members' interests and especially to the interests that concern the business sector.

I speak from my experience in the business sector and I am grateful to my colleague Ross Thomson for lodging the motion. It is vital that businesses feel that they are represented in Parliament, although it is clear that SNP members regard business and businesspeople with disdain and as a block in their never-ending quest for separation. The SNP does not understand business and, with Alex Salmond gone, it has given up all pretence of trying to understand.

The SNP needs to remember that it is businesses that power our economy, employ people, create jobs and—importantly—pay the taxes that are necessary to support our public services. When businesses say that they are in trouble, the Scottish Government needs to listen.

It is no wonder that I have been contacted by so many businesses in my area about the crippling hike in business rates. From nurseries to restaurants and from oil companies to those in renewables, no one is falling for the sticking plaster of a 12.5 per cent cap that will last only a year.

The Scottish Retail Consortium has gone so far as to say that the sticking plaster only adds

“even further complexity to an already fiendishly complicated system”.

Others have labelled the plaster a half-baked, back-of-a-fag-packet fix.

In my constituency, a local nursery still faces the maximum 12.5 per cent hike for the coming year. That is certainly an improvement on the 65 per cent rise that it was facing a month ago, before I flagged the issue at First Minister’s question time. However, the cap does not address the main problem, which is that the nursery has no choice but to pass the extra charges on. That means that parents will be able to afford less nursery time, which will disproportionately prevent mothers from returning to work.

The SNP is not only strangling the north-east but simultaneously destroying the balance sheet of Scotland. With no money for further relief, empty-property rates will lead to capital value being destroyed, in a return to the days of the window and roof taxes.

Derek Mackay is still trying to plaster over his mistakes. At the Finance and Constitution Committee, he said:

“it is true to say that every local authority area keeps every penny of non-domestic rates ... every council area will still keep every penny that it raises.”—[*Official Report, Finance and Constitution Committee*, 8 February 2017; c 4, 5.]

That position was repeated by Gillian Martin and Paul Wheelhouse at an Inverurie business association event only weeks ago. However, it is simply not true.

**Gillian Martin:** Will the member take an intervention?

**Alexander Burnett:** No, thanks.

The total money that Aberdeenshire Council raises will be £116 million, but the total money that will be available to the council is £93 million. I would like to ask the finance secretary where our missing £23 million is. Will he keep his word and

make sure that rates that are raised locally are spent locally? Perhaps we will find out, following the Conservative amendment that has forced SNP members to find the backbone to represent their constituents and write to the finance secretary.

**Kevin Stewart:** Will the member take an intervention?

**Alexander Burnett:** No, thanks.

It is clear that only the Scottish Conservatives will stand up for the north-east and that the SNP is prepared to cripple Scotland’s economy at any cost.

13:10

**Mike Rumbles (North East Scotland) (LD):** I congratulate Ross Thomson on securing the debate. It is extremely important, and I acknowledge his work over past months to bring the matter to everyone’s attention.

I have to say that I get a little fed up with Conservative members saying that only they stand up for the north-east, which is blatantly not true. I make an appeal to the Conservatives. Ross Thomson said that we should do all that we can and I agree entirely with him—I was going to say that I agreed with every word that Conservative members had said, until the previous speaker made his speech.

Words are important, but they are easier than actions. I gently say to my Conservative colleagues from the north-east in particular that last week we had an opportunity to do something about the issue when we debated the local government finance order, which distributes money from the Scottish Government to councils. We all know that Aberdeen City Council receives the worst handout from the Scottish Government and that Aberdeenshire Council receives the third worst. That has been the case for many years under this Administration.

I have long given up on asking SNP members from the north-east to stand up for the north-east. They just do not do it.

**Kevin Stewart:** Will the member take an intervention?

**Mike Rumbles:** No—just hear me out.

Three Aberdeen city members are members of the Government. I would not ask them to resign from the Government, which they would have to do if they voted against the local government finance order. However, that restriction does not apply to Conservative north-east members.

I do not want to sound patronising—I am not trying to be—but there are five new Conservative MSPs from the north-east. They obviously listened

to the advice of their finance spokesperson, who told them to abstain in the vote on the finance order, but that is not the way to stand up for the north-east's interests. I urge Conservative members from the north-east not to listen to such advice next year and the following year. At the very least, I urge them to try to persuade their finance spokesperson, behind the scenes, to let them represent the interests of the people of the north-east and vote against the SNP Government when they think that what it is doing is wrong.

This is the Parliament. It is not just about standing up and saying the right thing, which Conservative north-east members are doing; it is about using the vote that people send us here to use, in the right circumstances. I have never been afraid to do that, and I am still here—I disappeared, but I am back again. That has done me no harm, despite difficulties in my party when I did that. We need a little more independence of mind and the freedom to do the right thing.

My comments are directed at my Conservative colleagues. The nation will face bigger issues over the next couple of years, on which I hope that we can all speak with the same voice. However, we also need to speak up for the north-east, not just by speaking but by using our voting buttons.

I give credit where it is due. I have given credit to Ross Thomson and the efforts of my north-east Conservative colleagues, but Conservatives are not the only people who are standing up for the north-east. It is much better to call for change in a cross-party way than in an entirely partisan way. As I said, I have given up on the SNP. At least I have a hope of the Conservatives.

**The Presiding Officer:** I suggest that, given that there is a great deal of interest in the debate, members might want to extend the debate under rule 8.14.3 of standing orders. I invite Ross Thomson to move a motion to extend the debate by up to 30 minutes, as necessary.

*Motion moved,*

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[Ross Thomson]

*Motion agreed to.*

13:14

**Bill Bowman (North East Scotland) (Con):** Usually my script refers to the Deputy Presiding Officer, but it is nice to be before you today, Presiding Officer.

As a bit of a new boy, I thank Mike Rumbles for his words of advice, which I will note. As an accountant, I was just doing some arithmetic, and I note that there are more Conservative members in the chamber right now than there are members of all the other parties combined. I might be wrong

about that, but it shows that we are taking an interest in our region, even if it is not quite in the way that Mike Rumbles would like us to. We are trying.

I join colleagues in thanking Ross Thomson for bringing forward the debate. Like colleagues, I am aware of a number of businesses in my region that have been hit with significant increases in their business rates. Businesses the length and breadth of Scotland are genuinely concerned about the critical effect that the increases will have on the future of their business and, ultimately, their workforce.

Many examples have been cited during the debate, and I add that of Dundee Football Club. The club will be presented with a bill for business rates that is 63 per cent more than what it has paid until now. That increase represents the biggest percentage rise in business rates to affect any football club in the Scottish premiership. That is a prime example of a business that will not benefit from any relief or from the cap that the finance secretary announced last month.

The truth is that the fans will bear the brunt of the increase. As we all know, the market determines what people pay for a product and, even if it is only an extra pound or two at the turnstiles, or an increase in the price of a match-day or season ticket, it is a cost that fans and the clubs could well do without.

Sadly, as we have heard time and again today, Dundee Football Club does not stand alone when it comes to such increases. In Dundee, 20 per cent of rateable properties will see an increase in their bill. As was put to me by one constituent who got in touch, more than 1,100 businesses will have to find the money from somewhere to pay the additional cost.

I fear—as has been expressed already today—that that will result in job losses and in some businesses, particularly small businesses, questioning whether they can afford to survive. That is desperate news for our economy and the economies of our local communities.

A steady flow of businesses has come out against the increases and called on the Government to do something. The chief executive of the Scottish Licensed Trade Association said that the rates could be

“the last straw for many pubs”,

while the owner of Taypark house hotel in Dundee said that the rate rises

“were a threat to smaller businesses.”

I completely accept that the assessors are independent of Government, but it is within the Scottish Government's powers to offer support to

those who are most affected. Instead, what we got was dither and denial before the announcement of some relief measures. I welcome them and they will undoubtedly help some affected businesses, but why were Scottish businesses left waiting in the lurch for so long?

The head of policy for the Scottish Retail Consortium described Mr Mackay's measures as "yet another sticking plaster", while the Federation of Small Businesses said that

"The furore associated with this year's revaluation shows why the system is long overdue for reform".

That remark chimes with those of a ratings expert from Ryden's commercial property services in Dundee, who described the rates as "all over the place".

It is clear that this debacle has left many businesses worried about their future and with no confidence in the valuation system. It is time that the Scottish Government listened to such concerns and acted to address them.

13:18

**Gillian Martin (Aberdeenshire East) (SNP):**

Ahead of the budget last month, an additional £160 million was pledged to local authorities by the finance secretary. That additional local funding was part of a budget that is designed to grow the economy and fund our public services in north-east Scotland.

Aberdeenshire Council got one of the largest shares of that £160 million, at £8 million, and it was the first council to pledge that it would use the bulk of that funding for business support. Not only that, but the Scottish Government will reduce the rate poundage—the core tax that applies to the rateable value of business properties—by 3.7 per cent.

That is all in addition to the small business bonus scheme, which has already saved businesses more than £1 billion across Scotland, and which will be expanded from April to lift 100,000 businesses out of paying rates completely. In towns such as Ellon and Turriff in Aberdeenshire East, which is my constituency, that means the difference between vibrant high streets and empty high streets. In Inverurie, which is one of the areas of Scotland that have had particularly high property and rental values for a long time, many high street businesses have rateable values that are above that threshold.

Aberdeenshire Council has decided that businesses with a rateable value of between £15,000 and £18,000 will have their relief from the Scottish Government increased to 50 per cent, which is an extra 25 per cent. The scheme also includes approximately £208,000 for economic

development support and about £105,500 for an extension of empty property relief. The Scotland-wide rates cap for hospitality businesses and particular provisions for the north-east for office space have already been mentioned. In Aberdeenshire, those measures will assist 150 hospitality premises and 159 offices.

The Aberdeenshire Council administration, which is a coalition between the SNP, Labour and Green parties and independent councillors, committed funding to give a 50 per cent reduction in rates increases to businesses with a rateable value of £120,000 or under.

**Liam Kerr:** Will the member give way?

**Gillian Martin:** I would like to finish the point, and then I will take your intervention.

Only 217 businesses in Aberdeenshire have a rateable value of more than £120,000. Not one nursery has a rateable value that is above that threshold, so all nurseries will be eligible for the rates relief scheme. It is disingenuous that nurseries are being mentioned. I take the point that nurseries need assistance, but they are getting it from the council.

I was slightly surprised at the bravado of Mr Thomson's motion, but I thank him from the bottom of my heart for allowing us to have this members' business debate, because it gives me the chance to point out that his Conservative colleagues on Aberdeenshire Council not only voted against such a relief system but, in their alternative budget, did not include any mention of a rates relief scheme for any businesses at all.

**Lewis Macdonald:** Does the member agree with Linda Pirie of the Croft Nurseries in Stonehaven and Chapelton that the increase in rates that is affecting her nursery business in Aberdeenshire is unfair and extortionate?

**Gillian Martin:** That is why the Barclay review is taking place. Businesses whose rates are being hiked and which are working with the assessors but are not getting any change in their valuation should contact the Government and put their views to the Barclay review. That is the kind of thing that the review will address.

**Liam Kerr:** Will the member give way?

**Gillian Martin:** I have just taken an intervention and would like to get on.

On the missing millions that members have been talking about, I will quote from the Scottish Parliament information centre on how local finance works. It has said:

"Non-domestic rates income ... is currently the single largest source of revenue under the control of the Scottish Government. The administration of business rates and relief schemes is a matter for each Local Authority".

This is what I particularly want to say:

“Each council, having collected its taxes, reports the Non-Domestic Rates collected to the Scottish Government to be included in the central pool. The amount to be re-distributed from the pool is known as the Distributable Amount ... and is set by the Scottish Government ... It is based upon a forecast of the NDR income and prior year adjustments”.

That is how the system works. How can someone say that, because of what will be collected in non-domestic rates this year, they have planned something for the year before? That does not make sense.

**Ross Thomson:** Will the member take an intervention?

**Gillian Martin:** Yes.

**The Presiding Officer:** We are tight for time.

**Ross Thomson:** If Gillian Martin looked through the rest of that SPICe briefing, she would see that the total NDR take and the distributable amount, which is NDRI, will be 6 per cent down in real terms for 2017-18 in Aberdeen and down by 4.1 per cent in Aberdeenshire.

**The Presiding Officer:** It is time to wind up, Ms Martin.

**Gillian Martin:** The non-domestic rates take goes into the pool and is then provided to local authorities in future years, based on the spend that they are asking for.

It has always been a treat for fans of slapstick to behold the Tories in Aberdeenshire speaking in the press about some kind of fantasy that money has been withheld from my area. The vast majority of businesses in Aberdeenshire are being lifted out of paying rates. Let us take Ellon as an example.

**The Presiding Officer:** You need to wind up, Ms Martin.

**Gillian Martin:** I am winding up. I want to say a last thing before I sit down.

Council tax payers deserve a little more respect than the Tories are giving them. They cannot expect people not to notice that, despite all their wailing in the press, the Tories tried to vote down a budget that included a business rates relief scheme that is worth more than £3 million. In the same way, they cannot put forward a council budget that specifies taking more than £8 million away from education and then stand up in this place to criticise school staff shortages. People's heads do not zip up the back. We can all see behind the bluster.

13:24

**Peter Chapman (North East Scotland) (Con):** I, too, thank my colleague Ross Thomson for bringing the debate to the chamber.

Back in budget season, which seems so long ago now with all that has happened since, I asked our local SNP MSPs whether they would stand up for businesses against the rate rises. Needless to say, they did no such thing. Instead, Gillian Martin stood up at a business breakfast in Inverurie and offered no support to owners who were facing hikes in business rates that were putting the very future of their businesses at risk. She even had the gall to suggest that Westminster was to blame, for not supporting the oil and gas industry enough. Ladies and gentlemen, that was absolutely disgraceful.

**Gillian Martin:** Since I have been mentioned, will the member take an intervention?

**Peter Chapman:** Of course.

**Gillian Martin:** The point that I was making at that business breakfast was that we should be supporting all businesses; I was concerned about some of the rhetoric around small businesses. Someone—not Mr Chapman—said that small businesses should be ashamed not to be paying rates. I take issue with that, because there are an awful lot of struggling small businesses that populate our high streets.

With regard to Westminster, the member has a bit of a cheek—

**The Presiding Officer:** Get to the question, please, Ms Martin.

**Gillian Martin:** Westminster is not supporting the oil industry with any of the tax concessions or loan guarantees that have been asked for repeatedly by Oil & Gas UK.

**Peter Chapman:** I reiterate—we have heard it again. It is an absolute disgrace. We are talking about £2.3 billion in tax cuts—the most beneficial tax regime anywhere in the world. If we had an independent Scotland, there would be none of that support for the oil and gas industry.

Even Gillian Martin's predecessor, Alex Salmond MP, did not think that that line of argument would work, so he set our finance secretary on the straight and narrow. He dropped a wee hint to Nicola and chums—sorry, I should say to the SNP Cabinet—in a video blog that he was not happy about what he described as these “legitimate” concerns being ignored by the SNP Government. That is what he said.

It is a shame that the once-great double act of Salmond and Sturgeon has been so reduced that the former First Minister has to communicate with the SNP Government through social media and

the local paper. I guess that Nicola Sturgeon and Derek Mackay were too feart to take his calls. The finance secretary was humbled by the Conservative Opposition when he was dragged before this chamber after the grown-ups had told him where to get off. He was chastised by parties across the chamber for not going far enough, but he had kept the party leader happy—sorry, the former party leader. However, problems remained on the ground. Aberdeenshire councillors were not playing the game of being grateful for the crumbs off Mr Mackay's table. They rounded on him for having the gall to say that he was boosting their funding, as he gave with one hand and took away much more with the other. In other words, it was a second-rate deal from a second-rate finance secretary.

That little story, ladies and gentlemen, takes us up to the present day, except that all is not said and done on the matter. To return to the finance secretary's role in all this, he still has some explaining to do. I suspect that we will receive no answer on the matter because his boss—the MP for Gordon—has not asked him the question yet, but I hope that he will see the value in explaining his thinking.

When Mr Mackay spoke to Aberdeenshire Council on this matter, he made it abundantly clear that any money raised locally would be for the local authority to spend. However, Aberdeenshire Council—as we have heard—will collect £116 million in business rates and receive only £93 million back, so despite what everyone on the SNP side of the chamber says, £23 million has vanished. Maybe Mr Mackay was distracted by setting up a fundraising website for a second divisive independence referendum when he should have been looking after taxpayers' money, or else it is another example of the SNP's inability to understand deficits. Maybe the money is down the back of Mr Mackay's sofa for a rainy day, but I think that the people of Aberdeenshire deserve an answer from the cabinet secretary, because he promised that any money raised locally would stay local; he needs to explain why he is now breaking that promise.

Businesses in my part of the world expect politicians to do what they say. When rate rises hit local businesses such as the Spotty Bag shop in Banff and the Tufted Duck hotel, or even international powerhouses such as Score, they need to know that that increase will go to help their local community. If the finance secretary does not believe in local taxes being spent locally, he should just say so. Anything less is an insult to the business owners of the north-east who will be left paying for the SNP's next vanity project.

13:30

**Jackie Baillie (Dumbarton) (Lab):** I congratulate Ross Thomson on securing the debate. It is of critical importance to the business community, particularly in the north-east of Scotland where the impact is more significant than in any other area of Scotland. Four minutes is not a great deal of time, Presiding Officer, so I will not test your patience, and I am sure that members will forgive me if I simply cut to the chase.

The Scottish Government has delayed the revaluation of business rates, which I believe is why the increase is so high for so many businesses. As Lewis Macdonald rightly said, the current revaluation is based on property values before the decline in oil prices, when the economy was performing better than it is today. Businesses tell us that they want revaluations to be done more often so that there are no more dramatic increases. I note that the rest of the UK is moving to three-year revaluations—the Scottish Government should do at least the same.

We have heard stories of the impact that the increases will have. There is a hotel in my area that was going to be subject to something like a 200 per cent rise in its rates bill. That would have had a direct impact on jobs. Members can imagine how hard that is in a small rural area where the hotel is a significant local employer.

There is also the hydro project. It used to be zero rated; then it had a rates bill of £36,000; now it expects the rates bill to soar to £160,000. That is quite simply huge, unforeseen and unplanned. The Scottish Government says that it shares a desire to develop renewables. Let me say this as gently as I can—it will not find many people pursuing hydro projects in the future, when margins are already tight, if those are the rates increases that they will face.

I acknowledge that the Scottish Government, under pressure, has provided some welcome relief, but it is only in place for one year. What will happen next year is anybody's guess. Rates bills will show a net increase for 31 per cent of businesses, and with 100,000 small businesses now exempt from rates because of the small business bonus, 56 per cent of non-small businesses will see their rates rise. As we warned earlier in the month, key sectors will see increases—of 27.1 per cent for universities and 11.6 per cent for hospitals—when there are significant public sector funding challenges.

I believe that the SNP Government can, and should, do more. We have heard lots of talk; I want to see practical action. I want to set out exactly what Scottish Labour would do, and I encourage the SNP to take our idea—to steal it,

although I would be happy to give it to them—and implement it. Let us see that practical action.

As a result of the recent UK budget statement and changes to business rates provision in England, Scotland will receive some £36 million of additional money over the next three years. Labour's proposal is to take all that money and apply it to business rates relief, in addition to what is being provided by the Scottish Government.

We want to see that money being given directly to local authorities, because they know best what is needed on the ground for their local businesses. We would base the allocation to local authorities on those areas that are worst affected, which would see the north-east receiving the most and other authorities receiving amounts proportionate to the scale of their problem. Aberdeen, which has seen an increase in business rates bills of 62 per cent, Edinburgh, which has seen an increase of 38 per cent, Glasgow, where the increase is 27 per cent, and Dundee, at the other end of the scale with an increase of 20 per cent, would all receive support.

Derek Mackay and the SNP cannot Hoover up that extra cash coming to Scotland; it needs to go straight to the communities that need it the most. Councils should decide where the relief goes, based on the needs of their local economy. They have the power to deliver, but they do not have the necessary resources to help businesses.

Scottish Labour's proposal would provide practical help at a local level. I commend it to the minister, because this must not be a nationalist cash grab. Labour has a plan for a fair deal for business.

13:35

**Douglas Ross (Highlands and Islands) (Con):**

I, too, thank Ross Thomson for bringing the debate to the chamber. I remind members of my entry in the register of members' interests as a councillor on Moray Council.

I asked to speak in the debate because—rightly—it focuses on the north-east of Scotland, and a small chunk of the Moray Council area, namely Buckie, comes into the North East Scotland region for the Scottish Parliament. Moray Council and Moray businesses face similar struggles to those faced throughout the north-east and, as I am the only member who represents Moray who has sat through the debate, I think that it is important for me to put on the record some of the issues that we have locally.

A SPICe briefing that was released today confirms that, out of 4,540 business properties in Moray, 1,590—43 per cent—will not be included in any of the SNP's rates relief proposals and will

continue to face crippling increases in their business rates with no support from the SNP Government. If we compare that with the 77 per cent of businesses in Fife that will benefit from the proposals that have been put forward, we have to ask why the north-east and areas such as Moray are being made to suffer by the SNP Government.

As I have done in the past, I put on record that I welcome the move by the SNP Government, after a continued campaign by those of us on the Conservative benches and *The Press and Journal*, to cap the increases for the hotel industry at 12.5 per cent. That was welcomed by the Cluny Bank Hotel in Forres, by the Beach Bar and the Stotfield Hotel in Lossiemouth and by many other businesses but, as the chief executive officer of Moray Chamber of Commerce said,

"Although the short-term help is welcomed, we need to not take our foot off the gas and work with partners for a long-term solution."

There was some welcome in Moray for the proposals that the SNP has put forward but, as Alexander Burnett said, they are nothing more than a sticking plaster, and we have to look for more.

I also want to mention briefly the discussion that we have heard from SNP members today about the support of SNP councillors for their local businesses. I ask the SNP members, and perhaps the minister will indulge me with his response, whether they agree that, if SNP councillors such as those in Moray put forward a proposal that they expect other elected members to back, it should contain some detail, some costings and a budget? In Moray Council, we were asked to support a proposal by the SNP that was so vacuous it had none of that information. It came from the same SNP group that was able to do some research and find £1,000 for town centre clock face upgrades. It made that a priority but not our businesses, and that is shameful.

On appeals, which several speakers have mentioned, the 43 per cent of businesses in Moray that will not benefit from the rates relief that the SNP Government has put forward will want to appeal to the Grampian assessor. We have heard from members on all benches that appeals can take up to two years. That is unacceptable, as businesses continue to pay the higher prices during the two years. What reassurance can the Scottish Government and the minister give us that such appeals will be fast tracked to ensure that businesses are not out of pocket while they are appealing?

Businesses in Moray and across Scotland that face these huge increases need the help of the Parliament and the Government. We need assistance and a new system that provides the clarity, fairness and reassurances that our

businesses are looking for and expect, rather than a one-year sticking-plaster approach that allows some short-term benefits but no long-term gain.

13:38

**The Minister for Local Government and Housing (Kevin Stewart):** I welcome this opportunity to respond on behalf of the Scottish Government on the important issue of the outcome of the business rates revaluation for businesses in the north-east of Scotland, which will come into force on 1 April 2017. The revaluation, which is undertaken by independent assessors who are appointed by local government, is the first to take place since 2010, and it broadly spans the recovery from the last economic downturn.

Our overarching priority has been to maintain a competitive rates regime, and we have engaged directly with a range of businesses and their representative organisations—including those in the north-east—to respond to their concerns.

The Government acted early to deliver a competitive business rates package, alongside an improved funding settlement for local government. As we recognised that the revaluation could lead to increased costs, the draft budget for 2017-18 that was published in December set out a highly competitive package. Notably, it reduced the rates poundage by 3.7 per cent, expanded the small business bonus scheme so that it will lift 100,000 properties out of rates completely, and limited the application of the large business supplement so that 8,000 fewer properties will pay it. Together those measures were already set to reduce the overall rates burden by £155 million and ensure that 70 per cent of businesses will pay less than, or the same as, they paid this year, and more than half of them will pay nothing at all.

**Mike Rumbles:** Would it not be better for the minister to respond to the debate and the issues that have been raised by individuals, rather than reading out a pretyped script? It would be very helpful if the minister would do that.

**Kevin Stewart:** I fully intend to go through a lot of the stuff that folk have gone through today. However, I am laying out what was in the original draft budget. It is important that we lay the ground with that.

We also recognised the particular challenges that are faced by the north-east economy and the fact that both central and local government have a role to play in ensuring that local issues are addressed.

Having continued to engage with and listen to businesses since the publication of the draft budget, we have acted to provide further support

where it is most needed in light of the revaluation. Accordingly, we will ensure that, across Scotland, restaurants, pubs, hotels and cafes will see their bills increase by no more than 12.5 per cent on 1 April. Additional support is being injected into the north-east economy to recognise the impact of the oil and gas downturn, and the reliefs for the renewables sector are being expanded. Those measures amount to an additional £44.6 million of support, which offers proportionately double the total relief package that was announced by the UK Government on 8 March.

**Lewis Macdonald:** Can the minister explain today why the Government made the judgment that there should be additional support for the cost of office accommodation in Aberdeen but no additional support for businesses in the oil and gas supply chain, which have been hit by substantial increases in their rateable values?

**Kevin Stewart:** Mr Macdonald is probably well aware that Mr Mackay and others have spoken to stakeholders in the north-east, including the Aberdeen and Grampian Chamber of Commerce. That is why our overall package for the north-east will mean that around 13,700 properties will pay no rates at all, as a result of the small business bonus scheme. It is why we are capping the increases at 12.5 per cent for hotels, pubs, restaurants and cafes, which will benefit almost 1,100 properties and will provide an additional £5.7 million. Capping bill increases at 12.5 per cent also for offices in Aberdeen and Aberdeenshire will benefit around a further 1,100 properties and provide additional relief that is worth an estimated £4.8 million.

In his speech earlier, Mr Macdonald stated that it will take years for an appeal to be heard. I clarify for all members that, under the legislation, businesses that appeal can request that their appeal be heard within 70 days. Let us not go around telling businesses that it will take years to appeal, when it can be done within 70 days.

Let us look at some of the other things that have been said in the debate. Both Ross Thomson and Alexander Burnett said that Aberdeen City Council is not getting to retain its business rates. All business rates that are collected are, in accounting terms, paid into a central pot. They are then returned to local authorities. Prior to 2011-12, that was done on the basis of population. Since 1 April 2011, each council has retained every penny of business rates that it collects. As a result, there is no need for redistribution. Those speakers have shown that they have a fundamental misunderstanding of local government finance in suggesting that councils do not retain all the business rates that they collect.

There seem to be quite a few fundamental misunderstandings. Mr Thomson, who is also a

councillor on Aberdeen City Council, had the opportunity to vote for a local rates relief package in the city, but he did not even turn up for the budget to support an SNP proposal that outlined £4 million of support.

**Ross Thomson:** Will the member take an intervention?

**Kevin Stewart:** I will take it in a moment. That proposal would have seen rate rises capped at 12.5 per cent for the retail and manufacturing sectors and at 3 per cent for the hospitality sector. Maybe Mr Thomson will tell the businesses that he has been around why he did not agree with the measures that were put forward by the SNP group in Aberdeen City Council.

**Ross Thomson:** I am happy to intervene, Presiding Officer. First, Mr Stewart is right that I did not attend the budget meeting. I was here, voting against his Government's awful budget that gave an awful deal to Aberdeen. Also, if we looked at the minutes of previous committee meetings, we would see that Kevin Stewart did the same thing at the time of the 2011-12 budget.

It is true that the SNP put forward a proposal of £4 million to help the hospitality sector. What Aberdeen City Council has now put on the table is £3 million to devise a scheme with the chamber of commerce to help all the other sectors that are not getting help. The matched funding would take that to £6 million, which is far better than the £4 million that the SNP is trying to put on the table.

**Kevin Stewart:** As I pointed out, the proposals were not just for the hospitality sector but for the retail and manufacturing sectors, too. Mr Thomson should have paid more attention to that. Tory councillors in Aberdeenshire voted down a similar package.

**Jackie Baillie:** Will the minister take an intervention?

**Kevin Stewart:** I am sorry, but I am closing. We have heard lots and lots of noise from the Conservatives. We heard from Mr Thomson about all the things that he has been doing, but there has been no correspondence from him to the Government on the issue. At the very least, one would have thought that there would have been.

We have taken cognisance of and have responded to the situation in the north-east. Looking forward, the Cabinet Secretary for Finance and the Constitution has already given an undertaking in evidence to the Local Government and Communities Committee that he will engage fully with the Parliament and its committees on any increased scrutiny of non-domestic rates. I agree with Mr Mackay that the time to do that is following the external review that is being led by Ken Barclay, which is currently engaging businesses to

explore how rates might better reflect economic conditions and support investment. [*Interruption.*] Perhaps it would be better for Ms Baillie to listen to what I say, rather than shouting from the sidelines. The Scottish Government will look to support that investment in growth and will respond swiftly when the review concludes this summer.

**Douglas Ross:** On a point of order, Presiding Officer. I ask for your clarification. The minister made it very clear to every member who raised an issue about the appeals process that businesses are able to ask for an appeal to be heard within 70 days. Will you ask the minister whether he will confirm to Parliament that the SNP Government has resourced the local assessors to deal with every appeal in the next 70 days? That is the message that I will put out to my constituents in Moray, and I just want to make sure that the Scottish Government is prepared for that.

**The Presiding Officer:** That might be a point for the minister, but it is not a point of order.

13:48

*Meeting suspended.*

14:30

*On resuming—*

## Draft Climate Change Plan

**The Deputy Presiding Officer (Christine Graham):** Good afternoon. The next item of business is a debate on motion S5M-04534, in the name of Graeme Dey, on behalf of the Environment, Climate Change and Land Reform Committee, on reports on the “Draft Climate Change Plan: The draft third report on policies and proposals 2017-2032”.

**Graeme Dey (Angus South) (SNP):** I feel privileged, as the convener of the Environment, Climate Change and Land Reform Committee, to open a debate of this importance. It is a privilege for us all to be able to contribute meaningfully, through the scrutiny process, to the production of a final plan that we can all have confidence will deliver Scotland’s emissions targets.

The role that today represents in that process is summed up by Friends of the Earth’s comment in the covering note for its briefing for the debate:

“This is an important opportunity to reflect upon the undoubted strengths of the draft Plan, and to take forward the improvements to the draft that could turn it into a truly credible and ambitious blueprint for a low-carbon Scotland.”

My role in this debate, as will be the case with the conveners of the other committees that have scrutinised the plan, will be to lay out the principal findings and recommendations of our unanimously agreed report. I look forward to hearing committee members expand on that and hearing the thoughts of the other committees.

The process undertaken by the Environment, Climate Change and Land Reform Committee has produced a number of clear recommendations for improving the draft plan. Given that the Government aided the scrutiny process by delaying publication of the draft plan to maximise the time available to committees, and given that the Cabinet Secretary for Environment, Climate Change and Land Reform is on record as saying that she will not only engage “further and deeper”, but consider carefully the best time to finalise the plan to ensure that all the views resulting from the whole of the parliamentary scrutiny process can be taken on board, we look forward to those views being given appropriate consideration. We are also looking for the Government to seek advice from the United Kingdom Committee on Climate Change in moving to the plan’s final iteration.

I will reflect further on the committee’s overall thinking and identify specific areas where we believe changes are required.

The committee is concerned that the method of development of the carbon envelopes was inconsistent. A number of sectors—transport, agriculture, waste and land use—were modelled outwith the TIMES framework. Furthermore, the TIMES model does not consider wider benefits and the draft plan is unclear on the extent to which abatement potential has influenced the inclusion of policies.

Although the committee broadly welcomes the principle of a whole-system approach, it does not consider the TIMES model and the development of the carbon envelopes to have been sufficiently structured, formalised or consistent to deliver that.

The draft plan lacks clarity and transparency on the information that was fed into and produced by the TIMES model, which means that committee members were constrained in their ability to scrutinise fully and to express confidence in the policies and proposals that have been advocated.

The committee’s view is that the agriculture and transport sectors—the sectors that have made least progress in cutting emissions—are not being asked to make the significant leaps anticipated by the UKCCC and stakeholders. We believe that the emission reductions required of each sector should be equally challenging. That is not the case with those two sectors, so we recommend that the Scottish Government revise the carbon envelopes for transport and agriculture to show greater ambition.

Although a monitoring and evaluation framework is described in the draft plan, the committee does not consider that the suite of policies and proposals are, as presented and given the lack of accompanying detail and data, capable of SMART analysis and proposes that the Scottish Government should include further specific and consistent information across all policies and proposals in the final plan, to ensure clarity in the pathways to delivery. That would increase confidence in the robustness and the achievability of the plan and lay a clear way for committees to scrutinise progress by means of the intended annual updates on progress, an approach that the committee very much welcomes. It is our hope that all relevant successor committees will see it as part of their work programme to look at the update reports each year.

The committee, while recognising the impact of the electoral cycle, believes that in future the Scottish Government should be mindful of the problems of drafting the climate change plan in tandem with consultations on strategies that affect the plan, because of the difficulty of determining how those strategies might ultimately impact the plan. In this instance, it was unavoidable that the consultation on the draft Scottish energy strategy took place in parallel with drafting the climate

change plan, but that was not ideal. We look for the final RPP3 to state explicitly how the results of the Scottish energy strategy consultation have contributed to the plan and to clarify the relationship between the plan and all other relevant national strategies.

The committee further considered that it is unclear in the plan whether assumptions such as the development and implementation of carbon capture and storage are supported by alternatives, should the assumptions that have been made prove to be overly optimistic. It is our view that the final plan should, through remodelling, set out an alternative plan B.

The committee also believes that the final climate change plan should be accompanied by information on the output of an additional TIMES model run that emphasises alternative car traffic growth assumptions and which has a greater emphasis on modal shift. Although behaviour change has been considered and included in the draft plan, its application in policies and proposals either has been omitted or is inconsistent. That, too, should be addressed in the final plan.

Unfortunately it was only after the committee had agreed its report that it finally secured clarity of the position on soil testing and the Government's intentions with regard to taking that strand of the plan forward. The committee's view is that soil testing, of improved land only, must be compulsory and the plan should be amended to reflect that. That said, compulsory testing should be introduced in a phased way and supported by guidance and advice not only on testing, but on how the information gleaned should best be deployed. Soil testing itself will not make a contribution to tackling climate change—it is how the results are deployed that has that potential.

Having dealt with the land, I will turn—briefly—to the sea and highlight a further call from the committee for the final climate change plan to contain policies and proposals on blue carbon.

The committee notes the practice of presenting the final plan prior to the summer recess of the parliamentary year. However, given the issues that have been identified by stakeholders and the various committees, we concur with the Cabinet Secretary for Environment, Climate Change and Land Reform that the priority should be the consideration of matters raised by the scrutiny process, instead of any immediate deadline, and we commit to working with the Government to ensure that the plan realises its potential.

I move,

That the Parliament notes the reports of the Environment, Climate Change and Land Reform Committee, the Economy, Jobs and Fair Work Committee, the Local Government and Communities Committee and

the Rural Economy and Connectivity Committee on the Scottish Government document, *Draft Climate Change Plan - the Draft Third Report on Policies and Proposals 2017-2032*.

**The Deputy Presiding Officer:** I call Gordon Lindhurst to speak on behalf of the Economy, Jobs and Fair Work committee.

14:36

**Gordon Lindhurst (Lothian) (Con):** The whole world is waking up to climate change and its impact on the way we will live our lives in the future. It is not only the environment that is at risk if we do not face up to this issue, but the world economy as we know it. Some of the most promising growth markets across the globe are grappling with the fact that they are also some of the most at-risk areas when it comes to the consequences of global warming. If action is not taken, they might literally see profits washed away by the forces of nature.

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** Will the member give way?

**Gordon Lindhurst:** I am sorry, but not at the moment.

“Climate change increasingly poses one of the biggest long-term threats to ... investments and the wealth of the global economy.”

That was the view of Christiana Figueres, the then executive secretary of the United Nations Framework Convention on Climate Change, who was instrumental in forming the Paris climate agreement.

So it is that the Economy, Jobs and Fair Work Committee takes part in today's debate; in fact, many aspects of the draft climate change plan fall within our committee's remit. Given that it also includes energy, our remit covers quite a lot of ground and I cannot hope to address everything in a few minutes today. However, I will touch on a few issues that the committee considered, including transparency, timescale and behaviour change.

Although we welcome the whole-system approach of the TIMES model, it cannot be at the expense of the level of detail included in previous climate plans. Do not take just our word for it—we defer to the authority of the Stern review of the economics of climate change, which encouraged caution and humility in all modelling and reminded us that results are always specific to the model and its assumptions. The evidence that we heard was that even a whole-system approach offers only a partial insight, and ambition should not be confused with wishful thinking.

A snazzier title is one thing, but the information fed into the model has not been proffered, nor has

the weighting afforded to delivery, costs and disruption. The plan should detail budgets, targets and timelines as well as policies, not only for our benefit but for those tasked with the plan's delivery. It would be helpful to know the inputs for certain sectors and how they were formulated. What, for some, are lesser targets put pressure on other aspects such as electricity, services and housing. They have been told to cut emissions by 120, 96 and 76 per cent respectively, while transport and agriculture have been asked to make cuts of 31 and 12 per cent, despite the fact that, together, those two produce 28 per cent of all greenhouse gas emissions.

Suffice it to say that the Scottish Government has not shown its workings, nor has it given much of a clue as to the content of Scotland's energy efficiency programme, which is called SEEP by its friends. It is said to be key to ministerial thinking on climate change, but according to Stop Climate Chaos Scotland, much of the plan's success

"relies on a programme which does not yet exist".

One wonders whether androids dream of an energy-efficient future. That is something that the committee will return to in our scrutiny of the draft energy strategy—SEEP that is, not the androids; at least, not yet.

Timescale is my next theme. The Stern review said that climate change was

"the greatest and widest-ranging market failure ever seen",

and that delay would be costly and dangerous. In that regard, the committee supports the move towards low-carbon heat, but we are concerned by the pace of change, given that so little is to happen before 2025. We appreciate that technologies are evolving, but can we transform our housing stock and the public and commercial sectors in the space of seven years? Surely more can be done to front-load some of that work.

My final theme is behaviour change. It is a case not of altering, attuning or adjusting behaviour, but of making major non-marginal change in how we consume energy. Again, I am afraid that we found detail in short supply. Scottish Renewables underscored the need for buy-in of support from individuals and institutions alike. It said that it is unclear how we can achieve that without "clear and concise messages". The final plan must deliver those messages. More than a decade ago, the Stern review said:

"Governments can be a catalyst for dialogue through evidence, education, persuasion and discussion."

I will end where I began. Our economies and the necessities of life—access to water, production of food and the very air that we breathe—are under threat. The next chapter of the story is for us to write, and write it we must.

**The Deputy Presiding Officer:** I call Bob Doris to speak on behalf of the Local Government and Communities Committee.

14:42

**Bob Doris (Glasgow Maryhill and Springburn) (SNP):** I welcome the opportunity to talk on behalf of the Local Government and Communities Committee about the draft climate change plan. As members would expect, the focus of the committee's scrutiny was planning and the residential sector.

I pay tribute to the work of the fellow committees that scrutinised the plan. Together, we have ensured proper scrutiny of this important plan to help Scotland to reach its world-leading climate change targets, despite having a very challenging 60-day timetable. In that regard, I thank my committee's clerking team and all those who gave us written or oral evidence.

It is a challenging time for local government. Given the competing priorities that exist, we highlight that the Scottish Government must work with councils to ensure that they are properly resourced to develop climate change leadership. It should also support local government to embed climate change considerations into procurement procedures and practices, because it is clear that there is a significant opportunity there.

We heard concerns from the community sector that there was a lack of focus on how communities and the community empowerment agenda could contribute to climate change abatement. We also felt that there should be more of an emphasis on how the Scottish Government will drive behaviour change in those communities in which climate change is a lower priority—that is another opportunity. Both those issues should be addressed in the final version of the plan.

Although the plan recognises the vital contribution that the spatial planning process can play in climate change abatement, the lack of information on specific policies on how the planning sector will contribute to the meeting of targets made it slightly difficult to scrutinise the Government's plans in relation to planning. However, we note that further detail will be provided following the Scottish Government's consultation on the planning process.

We highlight that the Scottish Government should consider strengthening the final version of the plan to show how it will use the planning system to encourage more active and sustainable modes of travel and to protect green-space land by directing development on to brownfield sites.

On a more general point, we were concerned to hear of resourcing issues in the planning system.

We have asked for further information on how the Scottish Government will work with local authorities to ensure that planners and key decision makers have the right skill sets to ensure that climate change impact is properly considered in all decisions relating to planning.

We welcome the ambitious targets for the residential sector, although many of the policies and proposals are still out for consultation, making it difficult for us to scrutinise plans for that sector in detail. That includes the Scottish energy efficiency plan, which will underpin most of the measures in the housing sector. Its consultation is due to close in spring, alongside consultations on the draft energy strategy and regulation of district heating. Given their importance to Scotland meeting its targets, it was disappointing that those policies were not consulted on and finalised for the publication of the plan itself, but we have requested that those strategic documents be linked strategically across future iterations of the plan.

We also heard evidence on the accuracy and consistency of the energy performance certificate rating system. We are aware that the Scottish Government and the UK Government are reviewing the process, and we expect to receive regular updates on progress in that area.

One of the issues raised with the committee was the slow progress in transferring regulation in the private residential sector from a proposal to a policy since the previous climate change plan. The minister has confirmed that the Government will begin a consultation on regulation in the private rented sector this month, and will bring forward a timescale for consulting on the owner-occupier sector when the plan launches. We welcome that commitment, but would like an explanation as to why progress has been slow.

That leads me to the committee's concerns around how the ambitious targets for decarbonisation of the household heating network will be met. We heard how meeting the targets will rely largely on changing technologies, on decisions of the UK Government, and on policies and procedures that will drive behaviour change, as well as potential regulatory measures.

Finally, we heard about how successful the Scottish area-based approach to the home energy efficiency programme has been. It has been a success story. The programme has allowed local authorities to maximise their share of UK funding to install home external and internal wall insulation on a large-scale basis. Such measures are known to benefit health and assist in alleviating fuel poverty, so it was concerning to hear that some felt there was a lack of emphasis on that programme in the plan, particularly given the ambitious figures presented for future installations.

We have asked the minister for comments on how the programme will be funded and delivered post 2021.

The ambitious targets highlight the Scottish Government's intention to be a world leader in reducing climate change, and that is to be welcomed. The committee intends to play a substantial role in holding the Government to account for its performance, while working in partnership with it, and we will continue to closely follow the Scottish Government's progress towards meeting targets in areas within its remit.

**The Deputy Presiding Officer:** I call Edward Mountain to speak on behalf of the Rural Economy and Connectivity Committee.

14:48

**Edward Mountain (Highlands and Islands) (Con):** I refer members to my entry in the register of members' interests. I thank everyone who gave evidence to the committee, and also committee members and our clerks for all their hard work in scrutinising the plan.

The Rural Economy and Connectivity Committee struggled to scrutinise the draft climate change plan within the 60 days that are allowed. We concluded that the time allowed is too short and that a minimum of 120 days would allow better and proper scrutiny. Given the tight timescale, we looked at three specific areas: agriculture, transport and forestry.

It is worth noting that, as Mr Dey said, those areas do not fall within the TIMES energy model. The emissions envelopes for agriculture, forestry and transport were developed separately and added into the model, which is less than ideal. That raises additional issues. First, there is no baseline data or details of the specific emissions reductions attributable to each policy or proposal. Secondly, there is a significant lack of financial information provided in the draft plan. Thirdly, the plan lacks a monitoring and evaluation framework and SMART targets.

Given the short time that is available for debate, I would like to look at some of the key findings in each area. First, agriculture contributes 23 per cent of total emissions and is the third largest contributor in Scotland. The committee heard that agriculture is a difficult sector to decarbonise, which is why it has the lowest reduction target. Some said that that target was not ambitious enough and lacked detail. We accepted as a committee that

"in order to achieve climate change targets the goodwill of farmers and land managers"

was and is important. We also accepted that much of the historical good work undertaken by farmers has not been acknowledged or quantified.

I pick up on the particular issue of soil fertility. Much is often made of nitrogen, phosphorus and potash use, but the committee also heard about the importance of soil structure and the fact that it needs long-term management and investment. The committee accepted the need to encourage all farmers to test the soils on improved land in rotation. We also heard that, to ensure investment by tenant farmers, they need to be compensated at waygo for the extra work that they put in to keep soils in good condition. The committee believes that, to ensure a positive contribution to climate change and to increase production, we need to take farmers with us. During our scrutiny, there was discussion about whether soil testing should be voluntary or mandatory. We agreed that voluntary measures were appropriate at this stage.

Transport, which is the second largest contributor, accounts for 28 per cent of Scotland's total emissions. The committee welcomed the Scottish Government's goal to be free from harmful tailpipe emissions by 2050. However, it recognised that, since 1990, progress in emissions reductions from the transport sector has been largely offset by increases in demand. Therefore, the committee recommends that greater consideration is given to policies that will control demand and encourage modal shift away from the use of private cars.

The draft climate change plan focuses on the ways in which technological developments will reduce transport emissions, including incentivising more rapid uptake of electric and ultra-low-emission cars, enhancing the electric vehicle charging networks and electrification of the rail network. Witnesses raised concerns that the plan is overly reliant on the uptake of low-emission vehicles, and that there are a number of assumptions about technological improvements. For example, the plan assumes that battery costs will reduce and that there will be only 27 per cent traffic growth by 2030. The committee was not convinced that those were right; if they are not right, the transport targets are unlikely to be achieved.

We heard that little progress has been made on active travel, with Scottish transport statistics showing that, in 2015, only 1 per cent of journeys were by bike, which is well below the 2020 Government ambition of 10 per cent. That figure has remained stubbornly at 1 per cent since 2003. The committee believes that walking and cycling have an important contribution to make in reducing carbon emissions and the Government needs now to set out clearly how it intends to meet by 2020 the target that it has set itself.

I turn briefly to forestry. Approximately 1.44 million hectares of Scotland is in woodland—that is 18 per cent of the total land area, which is less than the EU average of 40 per cent. While 70 per cent of that woodland is populated by conifers, which can be used for production, the remainder is broadleaves.

Progress since the last climate change plan in 2013 has been painfully slow, and the Scottish Government has failed to meet its forestry targets every year. Last year, for example, 4,500 hectares were planted against a target of 10,000 hectares. We heard that some of those failures are attributable to the grant structure and application process. The committee heard that the Mackinnon report may well streamline the forestry industry to help achieve those planting targets, and it hopes that that is the case. It will be up to the Government to ensure that the targets are met.

There were other issues relating to the use of timber and getting the right tree in the right place, but I will leave that for people to read in the report.

In conclusion, the committee looks forward to the Government's response to its report and to the points that it has raised, and to seeing how those will feature in the final climate change plan.

**The Deputy Presiding Officer:** I call Roseanna Cunningham to open for the Government. You have eight minutes, cabinet secretary.

14:54

**The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham):** I thank the conveners and members of the four committees for all the work that was done in their scrutiny of the draft climate change plan. I also thank all those who provided evidence to the committees and helped them in their work.

The plan is, of course, a draft plan that is to be turned into a final plan. I will give an update on progress on that before the summer recess, albeit that the final plan will not come until later than that.

The draft plan builds on strong foundations. The Climate Change (Scotland) Act 2009 set a target of 42 per cent emissions reductions by 2020. By 2014, emissions had already been reduced by 45.8 per cent, which means that we exceeded the original target six years early. That is second only to Sweden's record of success. We should be immensely proud of that achievement and should not forget it, but we are not resting on our laurels. The draft plan sets out how we will continue to drive down emissions by the equivalent of 66 per cent by 2032. We will, of course, introduce a new climate change bill to raise that ambition even further in light of the Paris agreement.

As well as maintaining our high ambition and preparing for increased ambition in the future, the draft plan builds on our success so far. I went through its contents in the chamber eight weeks ago, so I will not attempt to do so again; it is action on the ground that matters.

**Mike Rumbles (North East Scotland) (LD):** Will the Government's proposed air passenger duty reduction help? It has been estimated that an extra 60,000 tonnes of carbon will be pumped into the atmosphere.

**Roseanna Cunningham:** That is built into the plan's overall targets. That question has been asked and answered so many times that I am beginning to wonder whether Mike Rumbles needs to see somebody about his hearing.

I return to action on the ground. Yesterday, I visited the red moss of Balerno to see an example of peatland restoration not far from Edinburgh. I also opened applications for the Government's £8 million action fund, which will help us to deliver on the climate change plan's commitment to restore 250,000 hectares of peatlands by 2032. I am glad that that commitment was welcomed in the Environment, Climate Change and Land Reform Committee's report.

I will deal with the committee reports in more detail. Broad support was expressed for the whole-system approach that we took to developing the draft climate change plan. That is important, because the draft plan was developed using an approach that differs from that which was used for the previous two plans or reports on proposals and policies. I know that that model and our use of it was a theme in at least one committee's scrutiny of the draft plan. Using the TIMES model represents a significant step forward in the Government's carbon planning. It has allowed us to get a real handle on the costs of emissions reductions and allowed us for the first time to make consistent judgments about where best to focus our efforts. We may be the first Government to have used that internationally recognised modelling framework to develop a carbon plan in a live political setting.

There has been a steep learning curve as we have worked through the plan's development—the committees have been on the same learning curve, of course. The new approach differs from that which was used in the previous two reports. That might be frustrating, particularly when the information that is produced by the modelling is different from what was produced before, but that does not mean that the approach is wrong and that we should not persevere with it.

**Claudia Beamish (South Scotland) (Lab):** Will the cabinet secretary take an intervention?

**Roseanna Cunningham:** I am sorry, but I have a minute less than I was originally told that I had, so I must press on.

Some committees expressed concern about lack of information on alternative scenarios in the draft plan. Given the political and technological uncertainties that we face, looking even 15 years into the future is not easy. The committee reports contain a number of recommendations on including different scenarios in the final plan, and some additional scenarios may be helpful, but we would need to choose carefully to avoid turning the plan into a think tank report.

Throughout the development of the plan, I have been clear that I have envisaged that all sectors would play their part. That does not mean equal reductions across the board; it means that we must balance the relative costs of reductions in each sector against other benefits of the policies, such as improvements in health, as well as the need to take full advantage of the business opportunities that are offered by the plan and the economic importance of each sector.

The carbon envelope for transport is a good case in point. Our judgment differed from that of the Committee on Climate Change. Our approach has been developed using robust external research that has been published in full by Transport Scotland. The message of that research was that reducing emissions from transport is a long-term project. We have said that since the publication of the original delivery plan in 2009.

It is important to recognise that the demand for transport is shaped by the operation of the economy—by commerce, rather than commuting. Accommodating that demand is an important plank in strengthening our economy and has been an important consideration in setting the transport envelope in the draft plan. Important though behaviour change is, it cannot offer anywhere near the same level of abatement as can advances in vehicle technology. Our view is that the emphasis on technology is correct.

That said, the Government is committed to delivering our manifesto commitment to low emission zones, for both their impact on emissions and their health benefits from improved air quality. We will also continue to explore other approaches to behaviour change. The draft plan sets out our plans to encourage a switch to active travel and public transport.

Agriculture is another area in which we have been encouraged to look again at our ambition. We will consider that recommendation alongside all those made by the committees. However, we cannot simply ignore the point made by the Rural Economy and Connectivity Committee that

“in order to achieve climate change targets the goodwill of farmers and land managers must be ensured.”

We know that emissions from agriculture are more difficult to reduce than those in other sectors. That is because the vast bulk of those emissions are from biological sources that are fundamental to food production and only a small proportion result from energy use.

We have touched upon technology already and I would like to return to the wider issue of the draft plan's reliance on what some people have called technical fixes. It is pretty obvious that a plan stretching 15 years forward and involving a number of decisions that will have infrastructure implications that are far longer lasting than a decade and a half cannot avoid considering new technologies. I have already committed the Government to seriously considering the recommendations on alternative technological scenarios as we develop the final plan.

I will also consider how we can add more transparency to our plan by being explicit about when key decisions on infrastructure, such as the future of the gas network in Scotland, are anticipated. A similar approach can be taken to key milestones in the development of technologies such as carbon capture and storage and at what stage we would need to activate fallback plans if milestones were missed.

It is obvious that we need a clear monitoring framework. I have committed to developing that and to reporting every year on progress. I have already told my officials to seek to agree a common approach with the Committee on Climate Change and to ensure that engagement continues.

Our draft plan has given us a clear vision of the nature of the changes that will need to happen across Scotland in order to deliver our ambitious targets. We now need to consider Parliament's recommendations, produce the final version of the plan and, most important, work together to reduce emissions.

**The Deputy Presiding Officer:** Well done, cabinet secretary. Ms Cunningham had been misinformed about timing, but not by our office.

Alexander Burnett will open on behalf of the Conservatives. You have seven minutes, Mr Burnett.

15:02

**Alexander Burnett (Aberdeenshire West) (Con):** Thank you, Presiding Officer. I would agree, but perhaps the timing communications were not sent out to us correctly.

**The Deputy Presiding Officer:** Indeed?

**Alexander Burnett:** Indeed. I will endeavour to keep my speech to time.

I refer members to my entry in the register of members' interests and particularly to the interests that relate to renewable energy.

This has been my first time going through the process of producing a committee response to a Government paper and I have been most encouraged. The committees' unanimity in their criticism of the Scottish Government's climate change plan has made a refreshing change.

According to the Economy, Jobs and Fair Work Committee, the plan lacks transparency.

**Bob Doris:** Will the member give way?

**Alexander Burnett:** I will not be taking any interventions as I did not know that my speaking time would be reduced.

According to our Environment, Climate Change and Land Reform Committee, the plan lacks credibility. According to the Rural Economy and Connectivity Committee, the plan lacks accountability and, according to the Local Government and Communities Committee, it places an overreliance on technology.

We have seen where the Scottish Government wants to go on climate change and we support that ambition, but the lack of a credible plan for achieving that ambition is more than a cause for concern.

We support the TIMES model, which has been used to inform the strategy. We agree that it is excellent, but it is unfortunate that the Scottish Government has chosen not to use it properly. Although 50 per cent of carbon comes from transport and agriculture, those two sectors were decided on outside the model, which skewed the assessment for those sectors and denigrates the model as a whole as a result. We can only hope that such omissions will be corrected in future uses of the model.

We look forward to the release of the model to universities to allow open-source examination of the data inputs and outputs. The Environment, Climate Change and Land Reform Committee repeatedly requested that and deemed it necessary to allow the strategy to be properly transparent. That point was also noted by Friends of the Earth.

The climate change strategy's lack of transparency is not the only problem from which it suffers. It is also clear that it is too dependent on technology and factors that are beyond the Scottish Government's control. Transform Scotland supports that view.

When I put that to the cabinet secretary at committee a few weeks ago, she was dismissive

and spoke of great advances in technology that will save the plan. Such a view might be applicable when we are talking about mobile phones, but I contend that technological changes are not as easily made in the context of large infrastructure projects such as installing district heating, repurposing the gas grid and insulating Scotland's hard-to-treat homes. The requirement for technological improvements does not inspire confidence and makes the strategy unreliable.

Let us consider, for example, the Scottish Government's emissions reduction pathway for residential property. It is estimated that the residential sector will account for 15 per cent of Scotland's total emissions this year, and its share is growing, so it is vital that we get our approach right. According to the strategy, the target is to decrease emissions by 84 per cent by 2032. However, that is back-loaded; only 16 per cent of the decrease is sought in the first eight years, which leaves the remaining 84 per cent to be achieved in the second half of the period. That proposed trajectory is so tainted in its formation that one can only assume that its architects do not plan on being around for the policy's inevitable failure.

It should therefore come as no surprise that Scottish Renewables questioned the target to supply 80 per cent of domestic properties with low-carbon heat technologies by 2025, which would require a leap from 18 per cent in just eight years. Given that almost 80 per cent of homes are currently supplied with mains gas, achieving that target will require a huge step change in delivery. I initially thought that the ambition would be achieved through district heating, but the other week, the cabinet secretary was more focused on repurposing the existing gas grid.

For members who are not familiar with what that entails, it means substituting the current methane gas with hydrogen. That is both technically feasible and desirable, but it will require huge volumes of hydrogen to be produced. If it is to come from electrolysis with electricity from renewables, that is neither clear nor, currently, economically efficient. If it is to come from conventional gas from the North Sea, with the resulting carbon returned through carbon capture and storage, that places a heavy reliance on a developing technology. Far be it from me to be cynical about such an approach but, with the Scottish Government placing all its target eggs in one basket, it is not hard to guess who it will blame for its failure.

Furthermore, the Scottish Government has not matched the Scottish Conservatives' call for a transformational change in energy efficiency. It has failed to set a target for all homes to reach EPC band C by the end of the next decade. It is

only right that I remind the Parliament of our manifesto commitment to spend 10 per cent of the capital budget on making homes energy efficient, which would have involved spending £1 billion cumulatively over this parliamentary session; the Scottish Government's programme for government commits only £500 million to SEEP over the next four years.

The EPC system also needs reform. It is evident that the market has had no confidence in the system since its inception in 2009. The same house can receive three different EPC ratings, depending on who comes to survey it. A tick sheet is not enough to establish whether a house has proper insulation. We should be using EPC ratings as a springboard for green mortgages and encouraging investors to buy energy-efficient homes.

**Bob Doris:** Will the member take an intervention?

**Alexander Burnett:** I have said that I will not take any interventions, given the time allowed.

We have promised to support district heating schemes. The Government has a responsibility to lead and not be led, but the strategy has no such plans. How can we expect companies to invest in district heating when the Scottish Government cannot even be bothered to deploy the system in its Victoria Quay buildings, which are in a location that has been primed for district heating?

It is clear to stakeholders and to cross-party committees that the Scottish Government has made massive assumptions on technological externalities over which it has no control. We simply cannot rely on someone to reinvent the wheel to enable us to hit our climate change targets.

The majority of the goals in the strategy are infested with backdated targets and biblical-scale reductions that come decades away. We need a clearer plan.

**The Deputy Presiding Officer:** Before I get any more signals from members about the timings, let me say that members have five minutes for speeches in the open debate. The revised timings were agreed at the Parliamentary Bureau on Tuesday and conveyed to the business managers, including the Minister for Parliamentary Business. So there you go—no one else should ask me how long they have got. It is five minutes in the open debate. Claudia Beamish, who is opening for Labour, knows that she has six minutes.

15:09

**Claudia Beamish (South Scotland) (Lab):** I recognise the significance of the draft climate change plan, which builds on the work done by all

parties, from the Climate Change (Scotland) Act 2009 and through the first two reports on proposals and policies to our proposed new climate change bill.

The debate is an essential contribution to focusing the Scottish Government's collective mind on the changes that are recommended in the four committee reports. The fact that there is direct reporting to our Parliament is testament to the mainstreaming of climate change.

Scottish Labour recognises the robust advice and support that the UK Committee on Climate Change has given to our Environment, Climate Change and Land Reform Committee. Our committee's responsibility for scrutinising the governance and future monitoring and evaluation of the plan is weighty. I thank our clerks and the Scottish Parliament information centre for fulfilling the challenging role of supporting us so effectively. I thank all those who gave us written submissions and contributed to oral evidence sessions, which helped the committee to hone its thoughts.

If the final CCP is to be truly at the core of all policies and proposals across the Government, our committee's recommendation that it should

"state explicitly how the results of the draft Energy Strategy consultation will contribute to the final Plan"

must be acted on.

There are synergies between the plan and the energy strategy—there is also my proposed member's bill to place a ban, for climate change reasons, on onshore fracking. Job opportunities in renewables and energy efficiency, related manufacturing and the circular economy must be underpinned by a just transition for workers and communities.

The committee recommends that

"the Scottish Government make the relationship between the Climate Change Plan and other strategies, such as the National Planning Framework, the Infrastructure Investment Plan and the Land Use Strategy, more explicit."

The committee has serious concerns and there are unanswered questions about the TIMES model. Only after persistent questioning of the Scottish Government did it emerge that as much as 40 per cent—if not more—of the sectoral assessment was not done through the whole system model.

As our convener, Graeme Dey, highlighted, the committee also states that

"There is a lack of clarity and transparency in the draft Plan surrounding the information that was fed into and produced by the TIMES Model",

which has meant that carrying out scrutiny has been challenging.

The committee recommends that

"the Scottish Government revise the carbon envelopes for transport and agriculture to show greater ambition",

given that those sectors are two of our heaviest emitters.

As I understand it, whatever policy is put into the TIMES model, the model pushes out the costings for it. I ask the cabinet secretary to consider carefully whether social inclusion and the pathway that is, to use her words,

"most beneficial to the people of Scotland"

have been adequately accounted for in the assessment of every sector.

In transport, a stark example of a techie approach being fed in is from the shift to low-emission vehicles, and the arguments for it, to tackle projected increases in road traffic of 27 per cent by 2030. Why is there no complementary modelling to assess the costs of planning more infrastructure for walking and cycling, with the associated support for behaviour change? That would produce healthy options and cut congestion, so there would be multiple benefits. While of course we need to shift to low-carbon vehicles for commercial reasons and for the economy, we also need a modal shift to active travel, and I ask the cabinet secretary to rethink that approach.

Our committee also has a sectoral focus on land use, peatlands, marine issues, the public sector and waste. Graeme Dey emphasised the importance of peatlands to the picture and we now have an understanding of that, which has developed since the marker in RPP1 through international and domestic research collaborations, which have led to specific funded policies from the Scottish Government.

That is in stark contrast to the failure to push forward on the contribution of blue carbon, which was in RPP2 and is—shockingly—omitted from the draft plan. Under questioning, Scottish Government officials acknowledged that that would be remedied in the final plan, and that is one of the committee's recommendations.

We stress the importance of the circular economy. In contrast to the Rural Economy and Connectivity Committee, we recommend a staged move to compulsory soil testing on improved land, which must be supported by clear criteria and must follow the advice to be incremental. That is a means to an end.

I highlight the importance of the Rural Economy and Connectivity Committee's calls for consideration of organic farming, and I strongly support that as a biological contribution.

The public sector's contribution is also vital. With mandatory reporting duties, leadership and peer support will be key, and the contribution that

part of the sector already makes is to be lauded. The letter from Stephen Hagan of the Convention of Scottish Local Authorities to the cabinet secretary is most encouraging.

Children who are now in primary 1 will be in their early 20s when the final policies and proposals under the plan are actioned. The vision that we create now for the way forward will need to be checked regularly against the development of technologies that have not even been invented yet. As those children move towards and settle down into adult life in an utterly changed world of work and leisure, the plan must prove to be just for our society here in Scotland. If those people are to live in a Scotland in which our communities are protected from flooding, with warm housing, good green surroundings and connectivity, there must be robust monitoring and evaluation.

The framework has been eight years in the making. I listened to what the cabinet secretary said, but the CCP must be the foundation of policy making, and it is vital to have clarity in the pathways to delivery as we go forward with it.

15:15

**Mark Ruskell (Mid Scotland and Fife) (Green):** I start by thanking the clerks, the Scottish Parliament information centre, witnesses and members of all four committees that have contributed to the scrutiny. I am particularly proud to be associated with the Environment, Climate Change and Land Reform Committee report, which was crafted under the strong journalistic guidance of our convener.

I am left with a strong sense of frustration with the climate plan. In many ways, it is a plan that could join us up, break us out of silo thinking and allow shared action across Government and society. However, the lack of transparency about what individual policies will achieve for carbon reduction and the uncertainty about what steps are needed to deliver those policies means that it feels disconnected from practical action. There is welcome clarity about the contribution that forestry and peatland restoration will make and about what effort will be needed each year to achieve that, but the plan is far more opaque in other areas.

In the committee, the Cabinet Secretary for Environment, Climate Change and Land Reform commented that we will know what carbon reductions electric vehicles, for example, will deliver only when they are on the roads. Whether these are the best policy choices at this stage remains a mystery.

Agriculture and transport were modelled outside TIMES, so they were fixed at the outset, while other sectors got plugged into the model to work through what was left and ended up in many

cases with more challenging targets. I am not saying that carbon targets should necessarily be equal across all sectors, but they must be equally challenging, and that is where we have some problems with the plan.

I turn to agriculture. We were warned by the UK Committee on Climate Change that agriculture could overtake energy as a carbon emitter. A compulsory soil testing regime was recommended as a simple but effective action to lower fertiliser wastage. In the chamber, the Cabinet Secretary for Environment, Climate Change and Land Reform promised me that soil testing would be compulsory when the plan was launched, but the Cabinet Secretary for the Rural Economy and Connectivity clarified that that would not be the case. The fear seems to be that it would be burdensome for farmers and, in the words of Fergus Ewing, the view is that we must not jeopardise the good will of the custodians of the countryside.

What exactly is the concern? The cost of soil testing on a five-year cycle is just 22p per hectare per year, which is a bargain price for a stable climate.

**Edward Mountain:** Will the member give way?

**Mark Ruskell:** I do not have time, unfortunately. I have only five minutes, unless I get time back at the end. Will I, Presiding Officer?

**The Deputy Presiding Officer:** You can have 30 seconds if you want to let Mr Mountain in.

**Edward Mountain:** I understand the need for soil testing, and most farmers are doing it, but the issue is about the soil structure and what is done with the results of soil testing. There is no point in forcing soil testing if nothing is done with the results.

**Mark Ruskell:** Exactly—it is a starting point. If we understand the structure and the quality of our soils, we can take action.

I will tell members about the type of action that we need. Farmers are spending about £70 per hectare per year on arable fertiliser, so delivering efficiency savings—we reckon that tackling pH levels would deliver efficiency savings of 20 per cent—will save them money. Applying lime to meet a target pH would involve only the most basic invoice record keeping, which any farmer could manage as part of a regime of cross-compliance. Such fruit is so low hanging that it is rotting on the ground. We just need to get on and deliver soil testing, as any knowledgeable farmer in the chamber will know.

**Edward Mountain** *rose*—

**The Deputy Presiding Officer:** Why are you on your feet, Mr Mountain?

**Edward Mountain:** On a point of order, Presiding Officer.

**The Deputy Presiding Officer:** You have a point of order—I did not hear that. Let me hear it, Mr Mountain.

**Edward Mountain:** I do not mind being called a lot of things, but by implying that I am not a responsible farmer, Mr Ruskell is verging on being rude.

**The Deputy Presiding Officer:** Would you care to modify what you said, Mr Ruskell?

**Mark Ruskell:** I will if I get another 20 seconds.

**The Deputy Presiding Officer:** No—you do not get another 20 seconds.

**Mark Ruskell:** I actually referred to “any knowledgeable farmer”. I assume that the member is a knowledgeable farmer who therefore needs to engage with the debate.

I will move to transport and I will see whether I get any more interventions. Transport is another unequally challenged sector. We have heard conflicting views on the assumption that our vehicle mileage will go up by more than a quarter in the 2030s. The transport minister says that that is the worst-case scenario, which will happen if we sit on our hands, while the cabinet secretary for climate change believes that there will be less growth in passenger traffic and more growth in vans and lorries that are connected with the economy. What is lacking is the range of more optimistic scenarios from the Element Energy report, which should be plugged into the TIMES model—we know that they exist.

The prediction in the 2006 transport strategy prepared us for increased traffic levels of about a quarter, which in reality ended up at only 5 per cent. I am concerned that again we have a predict-and-provide approach to accommodating phantom traffic growth rather than a clear focus on traffic reduction.

The technological fix of electric cars has its place and there is room for more ambition there, but electric vehicles alone will not deliver transport justice or the safer, less congested streets that communities need. The toolbox of policies that are needed to get modal shift—from workplace parking levies, walking and cycling infrastructure and urban speed-limit reduction to the roll-out of more low-emission zones and a focus on increasing bus use—are not explicit in the plan.

My colleague Andy Wightman will focus more on the energy sectors, but it is clear that there is still much to do to produce a plan that is fit for a low-carbon future. I urge the Scottish Government to take time to consider the recommendations carefully before submitting its final plan.

15:21

**Liam McArthur (Orkney Islands) (LD):** I start by declaring an interest as someone in receipt of microrenewables support.

Last week, I got to speak for four minutes on biodiversity; this week, I get five minutes on climate change. It feels like environmental speed dating, which may make it difficult for me to take interventions. However, by way of compensation, I pay tribute to all four committees and those who gave evidence to them for their diligence in their work and the seriousness of their recommendations.

As all four conveners have pointed out, the committees covered a wide range of policy areas, but there seems to me to be a common theme to all: the draft plan—and it is a draft plan—falls short on ambition, on transparency, on credibility and on measurability. That seems to be the clear message from all four committees, as well as from many of the stakeholders they heard from.

I welcome Roseanna Cunningham’s clarification that she will update Parliament ahead of the summer recess, but it is perhaps regrettable that we have very little time to cover, collectively, what is a fairly substantial piece of ground—and it will be a collective effort; I assure members that the Scottish Liberal Democrats will work with MSPs from all parties to keep ministers’ feet if not to the fire at least to the biomass boiler.

In the time available to me, I will briefly touch on a number of issues, although I will leave my colleague Mike Rumbles to deal with the transport aspects—save for mentioning, yet again, the need for greater ambition around accelerating the take-up of electric vehicles, including continued improvements to the charging network.

In relation to heat, which accounts for more than 50 per cent of our energy use, I do not think that the Government can in any way be accused of a lack of ambition—quite the reverse. Its targets for domestic and non-domestic properties by 2032 are pretty staggering. The question that has been raised is how credible those targets are, particularly given the estimate of precious little action being taken pre-2025. It is a point that the Economy, Jobs and Fair Work Committee fairly picked up on and asked to be addressed—perhaps by more front loading. The committee was right, too, to say that off-gas-grid properties and district heating schemes should be priority action areas.

On electricity, I think that the Government—following on from the previous coalition Government—has made good progress to date. However, legitimate concerns have been raised about how aspirations for negative emissions will be reached. I share the desire of many members

to see CCS fulfil its potential, but is it really sensible for the Scottish Government to appear to bet the house on its deployment in time to meet 2027 targets?

On energy efficiency, as WWF states, the draft plan

“does not put forward credible policies and resources to deliver even the inadequate scale of intervention”

proposed, and is

“certainly insufficient to support”

the

“transformational change”

that is suggested by its designation as

“a National Infrastructure Priority”.

I think that there was a bit of an echo of that point in what the Economy, Jobs and Fair Work Committee had to say. We need detailed timescales for achieving minimum standards, including for the private rented sector and for both domestic and non-domestic properties.

Finally, and very briefly, I have some comments on agriculture. The proposals for agriculture—and those for transport—were the subject of quite a bit of attention and criticism. The lack of ambition has already been noted. I listened to the exchanges between Edward Mountain and Mark Ruskell, and I think that there is a difficulty in an environment in which the future of support systems is up in the air.

The proposal to come forward with compulsory measures is tricky, but there is evidence that such measures can secure benefits for farmers as well as the environment. There is a legitimate debate to be had, even if that is around suitable timings for the implementation of compulsory measures. I realise that the NFU has a different perspective, but it acknowledges that to reduce emissions is to reduce waste and improve efficiency, so there is a willingness there to engage with the issues in the draft plan, and I hope that further improvements can be made.

In conclusion, I am conscious that I have done nothing like justice to the work that has been carried out by the four committees on such an important issue. However, I thank them again for highlighting where the Government’s draft climate change plan comes up short—that is, on ambition, credibility and transparency. Ministers need to show more green backbone, and Scottish Liberal Democrats, working with others, are committed to ensuring that they do, and that the final plan agreed by Parliament does justice to the climate change challenges that we face.

15:26

**Emma Harper (South Scotland) (SNP):** I remind members that I am the parliamentary liaison officer to the Cabinet Secretary for Rural Economy and Connectivity. I thank my colleagues on all the committees involved; I also thank the committee clerks, who have all worked extremely hard to write the reports on the draft climate change plan.

Scotland’s actions on climate change to date are among the most ambitious in the world, and the Environment, Climate Change and Land Reform Committee has welcomed the Government’s continued commitment to tackling climate change. The draft climate change plan sets out how the Scottish Government plans to play its part in delivering the historic Paris agreement. My colleagues have already outlined, or will outline, that there are many elements in the plan. One of the most significant is agriculture, which I will come back to.

There is a welcome focus on enabling community action on climate change. In Dumfries and Galloway, there is already a lot of enthusiasm for finding inventive ways of dealing with climate change at the local level. Last year, Scottish Government money was awarded to the reuse matters 2 project run by the Creetown Initiative to upcycle textiles that otherwise would have been sent to landfill.

The draft plan also acknowledges the important role that Scotland’s forests have to play in tackling climate change. By 2032, forests and woodland will cover an additional 3 per cent of Scotland’s land area, meaning that Scotland’s woodlands will be better placed to provide natural flood defences. Currently, in Galloway, the forest cover is 30 per cent across the region.

I welcome the cabinet secretary’s ambition for Scottish food producers to be among the lowest-carbon and most efficient food producers in the world. Last week, I met the new NFU Scotland president and vice-presidents. Collectively, they understand both the necessity of cutting emissions and the advantages to their own businesses of doing so. Since 1990, emissions from the industry have reduced significantly.

Reflected in the committee’s report is a belief that more effort needs to be committed to for agriculture—and, indeed, for transport, as has been mentioned. However, we need to be conscious of the challenges facing the sector. Almost half of agriculture’s global warming emissions are from methane produced by biological sources, as Roseanna Cunningham mentioned. Those biological sources are our kye and sheep. It is important to acknowledge that methane released by livestock—mostly, I add,

through an oral route—is not easily controlled, and to work collaboratively with all farmers and others involved to help reduce emissions wherever possible.

I was pleased to hear from the cabinet secretary that there will be no immediate requirement for farmers to undertake compulsory soil testing. The intent—that all improved land is tested routinely for pH—remains the same, and compulsory testing will be introduced as a staged process. We already know that conscientious farmers, driven by the need to evidence their plans for corrective soil pH improvement action, are implementing soil testing widely. Of course, greenhouse gas emissions are reduced not by pH testing itself but by what is done with the results.

I firmly believe that practice changes can best be achieved by working collaboratively with farmers. I am therefore pleased that the Scottish Government plans to engage with farmers and crofters to increase understanding of the environmental and economic benefits of low-carbon farming. Many of the farmers I have spoken to are already taking significant voluntary steps in the right direction.

Last week, I visited the Scottish Tenant Farmers Association's chairman, Chris Nicholson, at his farm in the Machars, near Whithorn, to learn about conservation tillage, which he has been practising. For those who are unfamiliar with the term, conservation tillage is a method of soil cultivation that deliberately leaves residue from the previous crop—a cover crop—and involves no ploughing; indeed, Chris has not ploughed his fields for 30 years. The method has various environmental advantages. For example, it increases the soil's ability to sequester carbon, and it reduces the use of fossil fuels because there is no ploughing. However, the committee took expert evidence from Professor Peter Smith of the University of Aberdeen, who said that although conservation tillage can help to sequester some carbon, the amount is often overstated. If I tried to provide further information on that, it would take me longer than the five minutes that I have for my speech, so I will not try.

I spoke to the NFU leadership when they were in the Parliament last week, and they stressed that one of the most important things that we can do to help the sector reduce emissions is to encourage schools, the national health service and others to purchase locally produced Scottish food.

As a member of the Environment, Climate Change and Land Reform Committee, I look forward to continuing to work with committee members and with the Scottish Government to address climate change.

**The Deputy Presiding Officer:** Well done, Ms Harper—you finished on the button.

15:31

**Finlay Carson (Galloway and West Dumfries) (Con):** I welcome the opportunity to take part in today's debate on the draft climate change plan. Climate change is one of the greatest challenges that we face and we must have an ambitious plan that not only looks to repair damage, but improves our environment in the future. All of us have a duty to the next generation to leave Scotland in a better state than we found it in.

The Scottish Government's climate change plan provides the framework for the transition to a low-carbon Scotland, which is something that I am sure that we can all get on board with. However, we on the Conservative side of the chamber cannot get on board with yet more missed targets and slipping deadlines from this Government. It is simply not good enough to paint a strong narrative without having specific policies to ensure that we achieve our climate targets. That is not just my view. WWF said that

"Although the plan presents an often strong description of a low carbon economy in 2030 there is a consistent absence of sufficient specific policies",

and that we need such policies in almost every sector to ensure that we achieve our climate targets through to 2032. Further, Stop Climate Chaos Scotland said that the plan lacks "transparency" and "credibility". We need more from the plan than just reassuring words.

In last week's biodiversity debate, I touched on the importance of peatland in contributing to a sustainable future for Scotland. The peatland restoration programme that is currently under way is part of the 15 per cent degraded ecosystem restoration target set by the EU. Professor Robin Matthews of the James Hutton Institute estimates that an annual restoration rate of 21,000 hectares—a figure that he calls "modest"—would contribute to an 8 per cent reduction in Scotland's total carbon emissions. However, since 2013, the Scottish Government has restored only 10,000 hectares. The Government has set itself a target of increasing the annual rate of peatland restoration from 10,000 hectares in 2017-18 to 20,000 hectares thereafter. The Scottish Conservatives want to ensure that that ambitious commitment to restore degraded peatland is delivered, because peatlands help to protect against flooding and act as a natural carbon sink and because doing so would benefit not only the climate but the economy. Providing long-term investment for such projects also has the potential to create much-needed local jobs.

The issue is not just the lack of restoration, however, because commercial peat extraction is damaging and destroying some of Scotland's valuable raised bogs. Scotland's deepest peats store around 6,500 million tonnes of CO<sub>2</sub>—10 times as much carbon as is stored in the whole of the UK's forest biomass. A loss of just 1.6 per cent of that peatland carbon is equivalent to the annual total for human carbon emissions in Scotland. Scotland's area of intact raised bog has declined from 28,000 hectares to 2,500 hectares over the past two decades, and commercial peat extraction has been a major contributor to that decline. I suggest that the Scottish Government may need to take another look at its policy on peat extraction. It seems contrary that licences to extract peat are being granted at the same time as the Government is investing in the restoration of degraded peatland.

RPP2 had a section on blue carbon, which indicated that research in the area was underdeveloped but that the Scottish Government was working to establish further information. However, there is absolutely no mention of blue carbon in the new climate change plan. When that issue was raised with the cabinet secretary in committee, she said that scientific data is still not mature enough to base firm policies and proposals on. Given that a lack of information on blue carbon was highlighted in RPP2, I find it disheartening that the Scottish Government appears to have taken no steps to populate that information abyss. Completely removing blue carbon from the plan looks like an attempt by the Government to pull the wool over our eyes on that one.

I welcome the steps to tackle climate change and reduce Scotland's carbon emissions, as far as they go. However, we need a plan with the substance to achieve that, rather than simply reassuring words.

15:36

**Gail Ross (Caithness, Sutherland and Ross) (SNP):** Climate change is the single biggest threat to life on this planet as we know it, and we all know that the time to stand by and do nothing has passed. In Scotland, we have had world-leading climate change legislation and, as the cabinet secretary said, we exceeded our targets six years early thanks to a combined effort—

**Neil Findlay (Lothian) (Lab):** Will the member take an intervention?

**Gail Ross:** Not just now. Come on! [*Laughter.*]

**The Deputy Presiding Officer:** I think that that was a no, Mr Findlay.

**Gail Ross:** That was thanks to a combined effort involving cuts to emissions, culture change

and investment in renewable energy. Mr Findlay should have better timing.

Through the new draft climate change plan, we continue to set targets and strive for change in all sectors as well as striving for societal and cultural change, but are our ambitions actually ambitious?

I am the deputy convener of the Rural Economy and Connectivity Committee. Earlier, Parliament heard our convener, Edward Mountain, very ably set out the committee's position and explain our report in some detail. As a committee, we took evidence from many professionals and experts, including knowledgeable farmers; listened to opinions and experiences; and worked together to produce the report. I commend my fellow committee members for their hard work and the spirit of consensus in which that work was concluded, and I thank the clerks and everyone else who was involved.

As members have heard, the committee has responsibility for two of the biggest polluting sectors—transport and agriculture—and feedback on the draft plan from those sectors was mixed. First, I will touch on transport. It has generally been agreed that we should put more emphasis on active travel. The aim of 10 per cent of journeys being made by bike by 2020 is ambitious, given that we are currently at only 1 per cent. The replacement of car use wherever possible will involve a huge cultural shift. We should be walking or cycling short distances instead of jumping into the car, which can no longer be seen as the preferred option. No one is saying that the Highland weather is always conducive to active travel, but we need to make more of an effort in that regard, and we need more information from the Government on how that will be achieved.

On public transport, Transform Scotland tells us in its briefing that there is no specific policy in the CCP—

**Liam Kerr (North East Scotland) (Con):** Will Gail Ross take an intervention from me?

**Gail Ross:** Yes, with pleasure.

**Liam Kerr:** Before the member moves on— [*Interruption.*]

**The Deputy Presiding Officer:** Can we hear Mr Kerr now that he has managed to get an intervention?

**Liam Kerr:** When I met Transform Scotland yesterday, it said that the draft climate change plan has an overreliance on ultra-low-emission vehicles and electric vehicles. Is it wrong?

**Gail Ross:** I invite Liam Kerr to read the Rural Economy and Connectivity Committee's report, which specifically talks about low-emission vehicles. As he will know, there are schemes

around the country that can be used as examples of good practice, such as the hydrogen buses in Aberdeen and the electric buses in Edinburgh. We looked at the area. I thank him for that very useful intervention.

According to figures from Transport Scotland, there has been a 10 per cent decline in bus usage in the past five years, so it is hard to see how a considerable shift away from private cars can be achieved. In rural areas, people tell us that they need their cars to get around, so modal shift needs to be accompanied by changes to the timetabling of bus services in rural communities, with frequent, reliable services being on offer.

We realise that the agriculture sector faces huge challenges when it comes to decarbonisation. However, many have taken steps to mitigate climate change through, for example, peatland restoration and renewable energy, and through forestry schemes—although it is acknowledged that much more can and should be done to support farmers and landowners to plant trees. Edward Mountain touched on that issue, too. We have to plant more trees—we know that. We have missed our targets year on year. There are various reasons for that, but we understand them and have now put plans in place to address them and to improve planting rates in future. The committee will continue to scrutinise that area.

My constituency is home to the flow country, which is the biggest blanket bog in the world and has been referred to as the “Amazon of the northern hemisphere” because of the amount of carbon that it sequesters. At this point, I pay tribute to my predecessor, Rob Gibson—the moss boss—for his tireless promotion of peatland areas. I also welcome the additional £8 million in the Scottish Government’s budget to help restore peatlands, protect wildlife and sustain tourism and rural jobs.

The cabinet secretary has made clear her commitment to listen to all the feedback, consider each report in detail and bring the issue back to Parliament before the final draft. I look forward to engaging with her further on such a vital issue. It has been said that the climate change plan was “half baked”. If we are going to put it in a cooking context, I would say that the ingredients are there; we just have to work to get the amounts correct in order for the recipe to work.

15:41

**Richard Leonard (Central Scotland) (Lab):** As the months and years proceed, it becomes clearer that, while the conditions for tackling climate change in a democracy demand that we win over—and so change—public opinion and, in turn, transform individual patterns of behaviour, the

driving force for that change will be found, first and foremost, in the means of production, distribution and exchange in the economy. In turn, that will come down to who owns and controls those means and systems.

It becomes clearer, too, that we have to say farewell to the creed that a high rate of consumption equals a high standard of living, because it is no longer valid—if it ever was. We will have to leave behind the very philosophy that underpins the acquisitive society, and we will have to put great science in the service of the people rather than have people being subservient to great science. In so doing, we have to plan a sustainable alternative to the irresistible march of materialism.

The Government has brought forward its latest climate change plan, based on a new model: the TIMES model. To the cabinet secretary and her ministerial team, I say that calling it—if I may quote their words—a “high-level strategic model” is no doubt designed to impress us, but it remains no more than a model. It is based on a set of assumptions that run according to specially designed weightings, which are constructed with theoretical abstractions and held together with linkages from one to the other. It is also a model with many vital parts missing—agriculture, transport, waste and others. We should take heed of the words of the mathematician and philosopher Alfred North Whitehead, who, almost a century ago, warned people who used such models of the “fallacy of misplaced concreteness”. The TIMES model should be a guide, or a tool—but it should inform, not dictate, public policy.

Therefore, when we read warnings that the model’s outputs are rigged or, in the more diplomatic words of WWF,

“the back loaded profile of low carbon heat is a result of constraints imposed on the TIMES model by the Scottish Government”

it is right that, this afternoon, we seriously question the suggestion by the Scottish Government that we can move from 80 per cent of Scotland’s domestic heating being supplied from mains gas in 2017 to 80 per cent of our domestic heating being supplied from low-carbon technology by 2032.

It is right that we question it further when the Government does not propose to begin any of that work in earnest until 2025. When the Minister for Business, Innovation and Energy was before the Economy, Jobs and Fair Work Committee, I put it to him that it seems that he will be

“jogging between now and 2025 and sprinting flat out between 2025 and 2032.”—[*Official Report, Economy, Jobs and Fair Work Committee*, 21 February 2017; c 51.]

As someone pointed out to me—continuing the metaphor—it also seems that he will be stopping

for a lengthy fag break in between his jog and his sprint because, according to the published plan, low-carbon heat will be stuck at 18 per cent between 2020 and 2025.

**The Minister for Business, Innovation and Energy (Paul Wheelhouse):** I point out to Mr Leonard that I do not smoke and I do not jog.

When I answered the question that he put to me in committee, I also made the point that we have to develop a supply chain and build the skills base in order that we can roll out the single biggest programme—it is massive—of energy efficiency investment in Scotland's history. That will also require—dare I say it, to those who are in favour of Brexit?—a supply of skills from the continent. Where will the plumbers come from who used to come here from Poland? What about the people of other nationalities who have been instrumental in helping our construction sector in recent years?

**Richard Leonard:** The committee concluded that the Scottish Government should not back-load the domestic and non-domestic heat conversion plan, but should front-load it.

I say in all sincerity to the Cabinet Secretary for Environment, Climate Change and Land Reform that she should not be worried about achieving our climate change goals too quickly or that people would be taken by surprise by an environmental coup d'état. Neither she nor the rest of us should live in fear of too much vitality; rather, we should fear too little vitality. Just look at the abject failure to meet our fuel poverty targets. As a consequence, we need rising investment in energy efficiency, not stand-still investment in energy efficiency.

As I have said to the Government many times, it should, working with the trade unions and industry, start to prepare the skill sets of our workers for the new jobs. It should also start to equip our manufacturing industries' supply chain to provide those new jobs. It is not enough to show political leadership and bold ambition; we need economic leadership and a credible plan, as well.

**The Deputy Presiding Officer (Linda Fabiani):** Please close.

**Richard Leonard:** A clear plan for jobs would provide real hope. A radical—but credible—plan, driven by uncompromising leadership, with real hope, would get us the change that we need, which would be achieved in the interests of working people and for the common good.

**The Deputy Presiding Officer:** I remind members how short of time we are. If members go over their time, that will be taken from colleagues.

15:46

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** Richard Leonard quoted Alfred Whitehead. Lord Whitehead also said:

“all of our choices and actions have consequences for the world around us.”

I think that we can all agree with that, because we are talking about the anthropogenic effects on climate change.

I am particularly interested in the one-by-one approach. In other words, it is all very well having in place the technology and having the Government take actions but, ultimately, it will require each individual in our society—one by one—to identify actions that they can take to help the climate change agenda.

This week, I am contributing a little bit to active travel. So far, I have walked 17 miles. That is not a huge amount—although it sounds a lot when you add up the miles day by day—but it is better than getting the taxi up to the station every day. Walking helps me to become a little bit fitter and it is better for the climate.

Individual behaviours present significant challenges. When I first came to Parliament, I drove 40,000 miles a year; now I drive 7,000 or 8,000 miles a year. I represent a rural constituency, so I cannot eliminate all car use, but I now use the train in a way that I certainly did not previously.

**Neil Findlay:** Will Stewart Stevenson take an intervention?

**Stewart Stevenson:** He will not.

Thanks to the free bus pass that was introduced by a previous Labour-Liberal Administration, I use the bus, too.

Gordon Lindhurst was quite wrong when he said that the whole world recognises the problem of climate change. Only yesterday, the President of the United States, Donald Trump, cut the Environmental Protection Agency budget by 31 per cent—the biggest cut in his proposed budget of any part of public administration in the United States. He has populated the agency with a raft of climate change deniers and we are days away from their resiling from the signing of the Paris agreement on climate change.

We are in a territory of unprecedented challenge over which we have little control, so it is important that we do the best and the most that we possibly can. So far, so good. It is great that we reached our 2020 targets years ahead of the plan. The 66 per cent target that we are setting for 2032 is ambitious, and the next part of our implementation of climate change plans will be more challenging than the parts that we have already undertaken.

I am of the age at which, on a day when I feel a little bit lower than I am today—today, I have a spring in my step—I might give some thought to what my obituary might say. It might describe me as the minister for snow—a title given to me because the weather forecast was 0.4°C out and therefore et cetera—but I hope that it might also say that I was the minister who took the Climate Change (Scotland) Bill through Parliament. That bill was very important for Parliament, because we passed it absolutely unanimously, so I hope that as we look at the draft climate change plan—capable of improvement as it undoubtedly is—we can achieve the unanimity that will help to take us forward.

Some of the issues that are discussed in the plan and which have come up in the debate relate to technological solutions. We must encourage every possible technological opportunity that will help the agenda—not only because it will help the agenda but because our taking the initiative creates business opportunities for us. Carbon capture and storage is one such opportunity—especially with regard to gas-powered stations. We need to get off gas, but while we have it, we will be able to use it more efficiently and with a much smaller carbon footprint.

I should, however, enter a couple of caveats. The use of low-emission vehicles, in particular those that are electrically powered, raises significant challenges in the medium term, because the world is now beginning to see a limitation, with regard to the amount of lithium that exists. The technology for batteries—lithium-ion technology—has not really changed much in 30 years. Lots of good things are happening in the laboratory; nanocarbon cathodes, in particular, might help, although there are still issues with the acid burning them away. I hope that technology can help.

I want to close by quoting John Gummer, from the Committee for Climate Change, who said yesterday:

“Over the past eight years measures to combat global warming have cut carbon emissions without raising”

any

“electricity bills for UK households.”

There are many myths around, and we have to demolish them. We have a lot of work to do, but I know that the Government will want to do it.

15:52

**Jamie Greene (West Scotland) (Con):** Finding out that the Rural Economy and Connectivity Committee was to review the draft climate change plan came as a welcome and pleasant surprise. I know that Edward Mountain has spoken on the

committee’s behalf, but I want to add some of my own thoughts, as a member of that committee. The committee covered agriculture, transport and forestry, and I want to share some of the evidence that we took on those three topics in the hope that it might inform, influence and guide the Government in its plan.

I welcome many of the Scottish Government’s measures to reduce carbon emissions across agriculture, transport and forestry, and I think that we will all agree that everyone has a role to play in that respect. However, it is important to note in the debate that there are many jobs, livelihoods and microeconomies in those three sectors. Farmers, for example, are having to balance the need to make ends meet with the needs of a sustainable economy. I therefore welcome the approach of the Cabinet Secretary for the Rural Economy and Connectivity, who prefers to encourage rather than to enforce behavioural change. However, as the committee noted, the Government ought to reserve the right to take further steps if voluntary measures do not succeed.

We also took substantial evidence that, in my view, laid bare a lack of clarity around carbon reductions. In forestry, for example, not only are we missing planting targets, but thought must be given to the types of trees that are being planted and, more important, where they are being planted. The James Hutton Institute noted that achieving planting targets does not always equate to meeting CO<sub>2</sub> reduction targets. In fact, going further, it felt that the climate change plan presents no real target for an emissions reduction to be achieved through planting. It is no great secret that, by 2050, the UK might be importing up to 80 per cent of its timber requirements, so planting targets are about much more than just climate change.

On transport, much was said about the Government’s forecasts for, and assumptions about, take-up of low-emission and electric vehicles. In his evidence to the committee on 8 February, Professor Tom Rye said, in effect, that policy must support ambition. We took evidence on Norway, where the Government has been able to convert its ambition for take-up of low-emission vehicles through a series of consumer policies. Low-emission vehicle purchases are commonplace in Norway, but that situation did not come about simply by asking or willing people to change. The Government introduced a series of measures to attract ownership of such vehicles, including zero purchase tax, reduced road tax, free public parking, no VAT, no toll fees, free access to bus lanes and so on. Not all those measures would be universally popular or right for Scotland, and some of them might have financial implications for the public purse, but simply

wishing something to happen does not make it happen.

We cannot rely on the environmental kindness of consumers in getting them to change their cars. There must be a win-win if widespread change is to be a realistic goal. Equally, we cannot rely on people's love of the environment to get them out of their cars and on to public transport. In many rural areas, such as the one in the west of Scotland where I live, having a car is simply a necessity.

However, innovating for sustainability and consumer innovation are not mutually exclusive. New technologies such as smart metering are reshaping consumer behaviour in home energy. In agriculture, global positioning system technology and improvements in timber-felling technology are vastly improving what were previously quite onerous processes.

Technology is similarly suited to improving public transport. Phil Matthews of Transform Scotland told the committee that improved information sharing with the public—for example, through apps that show bus arrival times—will contribute to getting people on to public transport, but even he admitted that targets in the plan are predicated on a range of unknowns. He said:

“There are technological unknowns and ... a lot of the possible actions are predicated on action that is completely outwith the control of the Scottish Parliament.”—[*Official Report, Rural Economy and Connectivity Committee*, 8 February 2017; c 11.]

In summary, I say that I would like to think that the Scottish Government will reflect and duly act on all the suggestions of the various committees whose members have taken part in today's debate, and that it will listen to the experts and the stakeholders, many of whom are the people who would be most directly affected by the policy implications of the plan.

**The Deputy Presiding Officer:** I do not want to cut the speaking times of members who will close for their committees, so I ask the remaining speakers to aim for speeches of four and a half minutes.

15:57

**Angus MacDonald (Falkirk East) (SNP):** Given the Environment, Climate Change and Land Reform Committee's wide remit in relation to the draft climate change plan, it is impossible to cover all the issues that our report raises in such a short speech, especially when I have only four and a half minutes. I will endeavour to cover what I can.

As we have heard from the convener of the ECCLR Committee and other committee members, there is a general chorus of welcome for the ambitious targets for peatland restoration and for the wider benefits for water and air quality,

biodiversity and flood prevention, as well as the jobs, that that will bring.

Yesterday's announcement that the peatlands action fund is open for funding applications and that it will deliver an £8 million investment to restore peatlands and to help to reduce emissions is heartening, and it will help the Scottish Government to deliver on its proposals to restore 250,000 hectares of peatlands by 2032. Around 1.7 million hectares of Scotland is covered in peatlands, and keeping them well maintained mitigates climate change by locking in carbon. The peatland restoration work that has been funded by the Government since 2013 has already transformed more than 10,000 hectares, and I was pleased to see at first hand the restoration of peat bog on the Slamannan plateau to the south-west of Falkirk late last year.

As we learned in a presentation by Andrew McBride of SNH at the excellent event that was hosted by my colleague Graeme Dey on Tuesday night, if the peatlands are left in a degraded condition, they produce greenhouse gas emissions rather than acting as a sink for soaking up carbon. With the extra funding from the Government, we are heading in the right direction, although there is no doubt that there is more to do.

Our committee has suggested in its report that the Scottish Government should explore how it can use its powers to prevent peat-based products from being sold in Scotland. During our evidence-taking session with the cabinet secretary, I suggested that there should be a levy or tax on the use of peat for horticultural use, in line with the campaign that was started in 2011 by the RSPB, the Scottish Wildlife Trust, Buglife and Plantlife, to name just a handful of the non-governmental organisations involved. The cabinet secretary will recall that she responded by saying that she did not think that we had the power in Scotland to introduce such a tax or levy. I might be naive in saying so, as I do not know for sure what the position is, but, given that we could legislate to introduce a carrier bag charge, surely we have the power to introduce some form of disincentive to using peat for horticultural use.

There was consensus among the witnesses at our evidence-taking sessions that the horticultural use of peat should be prohibited. Pete Smith, professor of soils and global change at the University of Aberdeen, agreed. He said:

“I think that that sort of activity is inconsistent with our climate targets. Just as the UK has moved to phase out coal, we ought, in my opinion, to have a plan to phase out the horticultural use of peats.”—[*Official Report, Environment, Climate Change and Land Reform Committee*, 7 February 2017; c 49.]

As discussed at the question and answer session after the Scottish Natural Heritage event

on Tuesday night, there are plenty of alternatives to peat composting. Many peat-free composts, such as commercial green compost, wood brush and forestry waste work as effectively as peat ones. We cannot on the one hand claim to be a world-leading country when it comes to climate change but, on the other hand, stand idly by and watch some of our high-carbon specialist habitats—our rainforest equivalent—being ripped up and squandered. An added incentive would be for the proceeds from any levy to be used towards the estimated £16 million a year that is required to meet the annual peatland restoration target of 20,000 hectares a year.

I realise that time is tight, given that there are so many speakers in the debate, so in closing I would like to touch on the very welcome, all-singing, all-dancing TIMES model, which was used to model future greenhouse gas emissions from each sector of the economy. However, it was not as all singing and all dancing as our committee and some non-governmental organisations out there would have liked, although it is fair to say that, despite some comments in the chamber this afternoon, everyone is impressed with the TIMES model and recognises the significant improvement on the approach that was used for RPP1 and RPP2. Without any doubt, the Scottish Government is right to use TIMES for RPP3 and to develop it for RPP4. However, the committee noted that there were issues with the lack of transparency in the TIMES model that will make it difficult to determine whether the emissions reductions in the finalised plan have been sufficient.

If our Environment, Climate Change and Land Reform Committee and the Scottish Parliament as a whole are to come to a view on how robust and achievable the final climate change plan is, we must have considerably more data around some of the specific measures. I look forward to the final RPP3 climate change plan being laid in Parliament once those issues have been taken on board. Along with the energy strategy, it will deliver a low-carbon transition for Scotland that promotes social inclusion and sustainable growth.

16:01

**Neil Findlay (Lothian) (Lab):** I will focus my comments on two areas where we need real action: energy and transport. Fundamental to the whole issue of energy provision is the ownership and control of energy supply. In recent years, Scotland has been at the forefront of renewables development, but it is in that area that I believe we have seen one of the greatest missed opportunities of our times.

The development of wind energy has been dominated by multinationals and venture capital firms—and indeed Tory MSPs—that see

Scotland's wind as their latest commodity and will do whatever it takes, including trampling over the concerns of communities, to take advantage of the significant profits that are open to them. Community benefit schemes exist, as does limited shared ownership, but the sums involved are a drop in the ocean compared with the money that is being made by the big European companies that dominate the scene.

We could have had those projects owned and operated collectively by the community, with public investment by councils, the Forestry Commission, national health service pension funds, credit union reserves, communities and others returning profits to the public services, allowing for investment in jobs and for the common good. Instead we see with every turn of a turbine scarce cash fluttering off to the boardrooms of Paris, Frankfurt and Madrid. It could all have been so different, but we still have time to prevent any new renewables developments going the same way. I will not hold my breath on that, but I live in hope.

I turn to transport, and to the emissions related to air travel. The Scottish Government simply cannot demonstrate how it will tackle the increased emissions that will come from its proposal to slash, then ditch, air passenger duty. Putting aside tax breaks for business flyers and a loss of tax revenues to the public purse, on environmental grounds alone it is absurd to remove air passenger duty.

The 2014 Transport Scotland study on the impact that a reduction on APD would make noted that business air travel is inelastic to a change in prices. In other words, journeys by air can generally not be replaced by another form of transport. Leisure air travel is income elastic—a luxury—so price is more sensitive and, if price reduces, demand is likely to increase. The policy change will reduce Government revenue, it will benefit the people who can already afford to travel by air, and who may travel more often by air, and it will be detrimental to the environment.

On which planet is that a sensible policy choice? The negative impact has been acknowledged by committee members, Transport Scotland and environmental groups. When the committee questioned the Cabinet Secretary for Environment, Climate Change and Land Reform on the negative environmental impact of air travel expansion due to the slashing of APD, she repeatedly failed to provide the detail. The cabinet secretary cannot explain which other sectors will need additional reductions to compensate for the increase in emissions from air travel.

In line with Scottish Government policy, Edinburgh Airport is currently seeking airport expansion, despite the fact that the airport is nowhere near capacity. In West Lothian, we see

huge opposition to those plans. We have the dripping hypocrisy of two cabinet ministers representing that area sitting around the cabinet table agreeing a policy of airport expansion and a policy of cutting and then eradicating air passenger duty, then going out into the community pretending that they are the champions of that community opposing airport expansion—hypocrisy is what it is.

The Scottish Government's own advisers on climate change advise a 22 per cent greater overall reduction in transport emissions than the draft plan proposes. I have watched the minister during this debate—she can throw tantrums, she can wave her hands, she can scowl and she can try to release a shoal of red herrings to cover the reality, but the Air Passenger Tax (Scotland) Bill is the environmental equivalent of pouring gallons of petrol on a burning inferno. It makes no sense whatsoever. The quicker the Government scraps that plan, the better it will be for everyone.

16:06

**John Mason (Glasgow Shettleston) (SNP):** The mistake that Mr Findlay makes is forgetting about the public and forgetting that we live in a democracy. To move this agenda forward, we need to take the public with us.

I have the privilege of being a member of two of the four committees that looked at the draft climate change plan—

**Neil Findlay:** Will the minister take an intervention?

**John Mason:** Certainly not.

I am on the Economy, Jobs and Fair Work Committee and the Rural Economy and Connectivity Committee.

**Neil Findlay:** On a point of order, Presiding Officer. I make no criticism of you, Presiding Officer; I make a criticism of the way in which the debate has been timetabled. The credibility of this Parliament is at stake when we have debates that are curtailed and which are not debates—all they are is a series of speeches.

**The Deputy Presiding Officer:** Mr Findlay, that is not a point of order. I suggest that you take that up with your business manager.

**Neil Findlay:** All the business managers.

**John Mason:** Mr Findlay would gain more respect if he had a little bit more respect for this Parliament as a whole.

As I said, I am on two of the committees involved, and it is good that the committees have taken slightly different angles on the report. That is healthy. I am a great believer in the committee

system and it does well as long as members are not too tribal.

The EU has clearly had a significant role in driving the climate change environment agenda, and there has to be concern whether, if that healthy pressure from the EU is removed, we will continue without it.

I will mention three points that were of interest to both committees. The first is the very tight 60-day timescale, which put pressure on the clerks and SPICe, on the committees, and on the Government to respond to the points that were raised by the committees. The REC Committee asked for 120 days; the Economy, Jobs and Fair Work Committee just asked for more time.

Hydrogen was an interesting issue that came up at both committees, in relation to heating homes and running transport. My gut feeling is that hydrogen is worth exploring a lot more, because it seems to offer a flexibility that electricity struggles to do, as Stewart Stevenson described with regard to batteries.

Thirdly, there was a desire for more detail, which has been referred to already.

For the Economy, Jobs and Fair Work Committee, the district heating systems seemed very attractive. The committee had a useful visit to Dundee, where the system appeared to be working very well in the multistorey flats at Lochee. It was a fairly straightforward system because the council seemed to own all the properties; I think that SSE was its partner. By contrast, the district heating system in the Commonwealth games village in my constituency seems to be very complex, and the residents are not convinced about it. Multiple organisations operate and maintain it, with three housing associations and the occupiers all being charged by different methods.

Given that the United Kingdom and Scotland have a fairly well-developed mains gas network and fairly efficient domestic boilers, witnesses suggested that using alternative gas—probably hydrogen—might be a good way forward using the existing infrastructure. We need to decide on that before 2025, as the timescale on which people replace and keep their boilers is quite long.

The energy efficiency of homes—especially existing homes—is a big challenge. The plan says that 80 per cent of housing will still be in use in 2050. A constituency such as mine has many older tenements. There is a need to plan for both the private rented sector and the owner-occupier sector.

Although homes are fairly standard in one sense, commercial and public buildings are much

more varied, and it will be very challenging to make them more energy efficient.

It has already been mentioned that we looked at transport in the Rural Economy and Connectivity Committee. There was quite a lot of discussion about whether we should aim purely for electric vehicles or also for vehicles with other low-emission fuels. As Jamie Greene said, there has been a big growth on the electric side in Norway as a result of a lot of subsidies. It was encouraging to hear that Aberdeen is experimenting with hydrogen for buses. The bus companies tell us that, currently, they cannot have batteries that will last all day for a particular bus. That is what puts me off having an electric car: I would not be able to go a long distance without having to recharge it.

There was a bit of uncertainty about the growth in demand for transport and whether there is a 27 per cent assumption or target. Maybe that can be clarified.

16:11

**John Scott (Ayr) (Con):** As in any debate about land use and climate change, I begin by declaring an interest as a farmer and owner of peatland.

I want to talk specifically about transport and the rather dismaying views of the committees on the Scottish Government's lack of consistent methodology, modelling and transparency in its draft climate change plan. It would be bad enough if it was the view of only the four committees that the draft plan lacks vision, ambition and policy focus with regard to transport, agriculture and the built environment, but the cabinet secretary will be aware that the briefings that we have received from the NGOs all appear to share that view. All four committees, having criticised the draft plan, have declared their intention to revisit the substantial issues that have been raised and to add doing so to their already substantial workloads. That is almost unheard of. The Government should take very careful note of that.

I turn specifically to the Scottish Government's lack of ambition for transport. It appears to me that there is a glaring lack of ambition on car usage. The UK Committee on Climate Change believes that a 12 per cent reduction in kilometres travelled by car is possible by 2030, but the Scottish Government expects a 27 per cent growth in distances travelled over the same period. Worse still, the Committee on Climate Change envisages that electric vehicles will account for 60 per cent of new sales of cars and vans by 2030, but our Government's plan foresees less than half of that percentage for sales of electric vehicles, at only 27 per cent. Why is the Scottish Government shying away from seeking to achieve the same targets for

electric vehicles as Norway, Sweden and the Netherlands are? It usually seeks to emulate their best practice. Is that because it is not prepared to make the investment to bring about such change—for example, by installing sufficient charging points or creating incentives to encourage the increased usage of ultra-low-emission vehicles?

Recently, in discussion with a transport expert, it was suggested to me that one way to increase the usage of low-emission vehicles is to place charged-battery swapping points strategically around Scotland. Instead of a person stopping for an hour—or two or three—to charge up their car's battery, they could swap it for an identical one that is already fully charged. That would increase the range, reliability and flexibility of low-emission electric vehicles. The development of standardised batteries that could be easily and reliably swapped over at recharging stations would be required, of course, but such a move could overcome the fear of many of being left stranded in an electric vehicle with a flat battery.

On the subject of increasing the energy efficiency of future vehicles, lessons should be learned from the aircraft manufacturing industry. Composites are already the new material of choice in the aircraft of the future. Although that new, lightweight, laminated, carbon-based material is still expensive, it will be more readily available to car manufacturers in future. As it does for aircraft in the aircraft manufacturing industry, it will reduce the weight of new cars that use it and increase the range and efficiency of vehicles.

Modal shift must also be encouraged in order to decongest our already overburdened motorway networks. That is about making our trains and buses more attractive to lifelong car users like me.

Tipping points in modal shift will come if pursued by the Government, but they must be achieved by incentivising the travelling consumer to the point at which for many, modal shift becomes the only sensible option. For me, and others of my age group, modal shift is also about walking or cycling when, previously, taking the car would have been the preferred option. Combined with health messages about obesity and the rise of type 2 diabetes, exercise—the new wonder drug for the baby boomers—will also drive change and physical modal shift, as well as prolonging active life.

It is time to be bold about Scotland's further carbon reduction potential, and the cabinet secretary's leadership is vital in explaining, encouraging and delivering such a vision for Scotland. More needs to be done and we look forward to an update before the summer recess.

16:15

**Kate Forbes (Skye, Lochaber and Badenoch) (SNP):** I congratulate the Government on publishing its draft climate change plan. I commend the work of the committees and others in shaping it.

It was great to start the process of reading and reviewing the draft climate change plan having taken evidence from the chair of the Committee on Climate Change, who said that there is no doubt that

“Scotland is doing better than any other part of the United Kingdom”.—[*Official Report, Environment, Climate Change and Land Reform Committee*, 13 September 2016; c 3.]

I want to frame my argument in terms of human choices and behaviour. It is good to have members of four different committees in the chamber today, all of whom have looked at the different policies in different ways. However, to move the debate on, it is critical that we look at cultural and societal shifts and how we influence people’s behaviour. Policies only go so far—they can influence behaviour, but there are other things that change habits.

If I look back over my lifetime and consider the habits that have changed across society over the past 26 years, I see that there have been quite a number of changes—people have chosen to change their individual habits and there have been changes across communities and society as a whole.

The draft climate change plan includes the individual, social and material, or ISM, approach—the three different contexts that influence people’s behaviour. At the individual level, it is about influencing an individual’s values, attitudes and skills. The social context includes factors such as the influence of networks, relationships and social norms. The material context covers factors such as infrastructure, technologies and regulations. All three complement each other and are necessary to change the culture to one in which we recognise climate change and take positive action, individually or as groups, to reduce its impact.

I will briefly talk through the three contexts. In the individual context, education and factual information are so important, starting from for the very youngest children at nursery. It is also important to help people to see that they have a personal stake in climate change—in other words, that if we do not act, it will affect us, as it is already affecting us, and the next generation. That can be done indirectly: in the Highlands, for example, the creation of thousands of jobs in the renewables industry helps to ensure that there is greater awareness than ever of climate change. Individuals are taking positive action against climate change. There are a number of

businesses in my constituency, such as the Glenuig Inn, which I have mentioned before, that have chosen to rely entirely on renewable energy.

The second context is the social, which is where charities, non-profit organisations and even religious organisations taking positive steps to influence and incorporate climate change into their overall message or mission statement is important. I have even heard of eco-congregations—the eco-congregation scheme is a programme to enthuse and equip churches.

The final context is material, which is primarily the role of government—but not just the Scottish Government. There needs to be a co-operative and collaborative approach with local authorities and other public bodies. There was excellent work in the past, when local authorities drafted the Scottish climate change declaration. Since then, emissions that are directly attributable to local authorities have dropped significantly. We need to work with Governments across Europe and the world to establish best practice and share ideas.

Something that I most appreciate in the draft plan is the emphasis on community. The Scottish Government funds the climate challenge fund, which has awarded £75.7 million to 588 communities, to reduce carbon emissions locally. Such an approach gives people the opportunity to identify how they can play their part and have a stake in the future.

It is important that we focus on changing people’s behaviour if we want a long-term impact.

16:20

**Mike Rumbles (North East Scotland) (LD):** The Scottish Government’s draft climate change plan is simply not good enough. That is not just the view of the Liberal Democrats; it is highlighted again and again in the committee reports that we debate today. The draft plan lacks ambition. The Scottish Government is simply not clear enough, even when it outlines what it wants to achieve.

I will concentrate on the report of the Rural Economy and Connectivity Committee, of which I am a member, and within that, I will focus on transport. For me, the biggest elephant in the room is the colossal amount of carbon emissions that will occur as a result of the Scottish Government’s aim of cutting air passenger duty to encourage more flights. Witnesses to the committee were concerned that cutting air passenger duty would have a detrimental effect on carbon emissions and reduce demand for rail travel. I was particularly concerned when the transport minister himself responded that increased emissions were “a possibility”.

The committee was polite in its conclusions on the point. Edward Mountain is always a polite and effective convener in getting everyone on the committee to agree 100 per cent. We said:

“The Committee recommends that the potentially negative impact on carbon levels as a result of the proposed reduction in air passenger duty should be clearly covered in the CCP.”

It is not covered, of course, because that would be embarrassing for the Government—

**John Mason:** Rubbish.

**Mike Rumbles:** Well, it would be embarrassing for the Government. That is why it is not there. Why is it embarrassing? Because air travel is the highest emitter of carbon dioxide per passenger kilometre.

**John Mason:** I do not understand why the member thinks that it would be embarrassing. Clearly there are pluses and minuses in the whole scheme, and if we have a plus in one area we just have something to counteract it.

**Mike Rumbles:** If that is the case, why does the Government not want to mention its policy in the draft plan, when it knows that it will be really important? Air travel is the only sector in Scotland in which emissions have risen significantly over the past 20 years, and pumping an estimated 60,000 tonnes of carbon into Scotland’s air each year will not exactly help the situation.

I think that I hit a nerve when I intervened during the minister’s speech because, rather than address my question, she accused me of being deaf, which was obviously meant as an insult. I thought that ministers were here to answer our questions, rather than hurl insults about the chamber.

I want to turn to another aspect of transport policy that the committee highlighted in its report. The Government’s agency, Transport Scotland, starts with an assumption that there will be 27 per cent more car use in 2035 than there is today. Rather than tackle the causes of demand growth in car travel, the draft climate change plan seems to accept such growth in car use as a given. How utterly complacent.

Bus travel is an issue that I particularly wanted to raise in the committee, because it is important. The committee noted:

“the draft CCP does not mention supporting bus companies ... to a level necessary to reverse the decline in bus patronage.”

At the very time when the Scottish Government needs to be expanding free bus travel, we understand that it is considering raising the age of eligibility for free bus travel. I know that the Government is not clear about its plans and, I assume, will not be clear about its plans until after

4 May, but it really should be expanding the programme and not thinking of curtailing or reducing eligibility for it.

I was surprised that, in evidence to the committee, the transport minister said that he thought that the free bus pass policy was not working because people had not given up their cars. I pointed out to him that that was not the point of the policy. The free bus pass, introduced by the Labour and Liberal Democrat coalition, has been a tremendous success as it was designed to encourage people to use public transport more. It was never designed to replace the car, but to reduce car use, and I thought that the transport minister might have understood that. The policy wins for everyone. It reduces the environmental impact of car journeys, it reduces congestion in our cities and towns, and it is enormously helpful in getting more people out and about. It is a success story so, far from proposing to raise the age, we should be encouraging the use of the free bus pass and I urge the Government to rethink that.

**The Deputy Presiding Officer:** Come to a close please.

**Mike Rumbles:** There is a huge amount to cover in the draft climate change plan but, as you have just pointed out Presiding Officer, time is too short. Suffice it to say that we consider the plan to be far too timid, lacking in vision, and completely lacking in ambition. If I were marking the progress card of the Scottish Government, I would say that it could do so much better.

16:26

**Andy Wightman (Lothian) (Green):** This is one of the most important debates that Parliament can engage in. I thank all the committees that have produced reports, particularly the two committees on which I serve: the Economy, Jobs and Fair Work—and energy—Committee, which is the name that I would like to give it, and the Local Government and Communities Committee.

The significance of the topic has been made clear in the debate and it is clear to everyone that the Paris targets of 2015 commit us to no more than a 2°C rise in global temperatures and to pursue a target of no more than a 1.5°C rise.

Having ratified the Paris agreement, countries are now faced with the prospect of having to deliver. Are they taking all the steps necessary to achieve that? The short answer is no, and neither is Scotland, although we have a class-leading climate change act and have and are reducing emissions. The actions required to hold to a 2°C rise fall outside the bounds of conventional politics in most countries. We say that 2°C is acceptable, but we do not act as though it is.

As the Oil Change International report said last year, to meet a 2°C or a 1.5°C global warming target, global emissions need to peak now and they need to begin declining immediately. Therefore, and as the Greens have made clear, we need to leave two thirds of hydrocarbons in the ground. That means no more drilling west of Shetland, no more exploration around Rockall, and no more development of existing reserves. Indeed, it means ceasing all fossil fuel development and, above all, it means no fracking.

Scottish ambitions are nevertheless welcome, to the extent that we can take action. The range of committee reports and the measures in the draft climate change plan are all extremely welcome. However, as all the reports say, we need to be clearer about how we get to the targets for 2032, and we particularly need greater transparency. We have heard this afternoon about the constraints placed on the model. I am particularly interested in the constraints that were placed on agriculture and land use, and I have submitted a freedom of information request about that. I look forward to hearing further about how that particular constraint was established.

I want to highlight a few points about energy. The Economy, Jobs and Fair Work Committee looked at the question of carbon capture and storage, made a few points about whether it was practicable, and said that it should be explored. The report noted that the role of CCS is unproven but that it could have a role. This morning, the Department for Business, Energy and Industrial Strategy published new energy projections that do not assume much carbon capture and storage in the timeframe of our climate change plan. It would be helpful if the Government could run the model again with carbon capture and storage stripped out.

On electricity, the Scottish Government wants additional thermal capacity. National Grid said that that was not necessary. For the purposes of mitigating climate change, it is not clear whether it is indeed necessary.

We looked at the target of a 6 per cent reduction in heat demand by 2032. That is lacking in ambition because it is a reduction on projected demands by 2032. I am sceptical about that and note that significant changes are required, particularly in terms of low-carbon heat.

We looked at homes and housing in the Local Government and Communities Committee, which is seeking explanations from the Government about slow progress. As WWF noted in its evidence to the committee,

“Regulation of the private rented and owner occupied sectors has been long promised but remains undelivered, despite the relevant ministerial powers having been created in 2009 ... It featured as a potential enabling measure as far

back as RPP1, was included as a concrete proposal in RPP2 and developed with stakeholders to the detailed pre-consultation phase to the REEPS [regulation of energy efficiency in private sector homes] working group in the last Parliament.”

It is urgent that we bring forward such a scheme. It should be fairly straightforward to uprate home reports to ensure that energy efficiency targets and carbon budgets are contained within them, to include statutory minimum requirements to bring buildings up to a specified standard, and to insist that that is done at the point of sale. The cost would be built into the price that buyers pay. It underpins the importance of getting private as well as public capital into the programme.

We had a brief look at how the planning system can contribute. Only one page out of 170 in the climate change report is on planning. It says that that is another essential element of the Scottish Government’s approach to meeting climate change targets, and we agree. We advocate that, in the forthcoming planning bill, we build in the goal of mitigating climate change as a core purpose of the planning framework.

I am very pleased that Parliament has undertaken the best scrutiny possible in the time available. I echo the calls in all the committee reports that a bit more time is necessary next time.

The Green Party will continue to engage constructively with the Scottish Government on mitigating climate change.

16:31

**David Stewart (Highlands and Islands) (Lab):**

This has been an excellent debate with thoughtful and insightful contributions from across the chamber. I particularly thank the members of the ECCLR Committee, of which I am a member, and the clerks for their hard work and dedication in preparing the report on the draft climate change plan. I also acknowledge the work that has been done by all the other committees that have been scrutinising the plan.

Climate change is here today—the impacts do not exist in some sci-fi future. They are here, they are now, they are observable and they are scientifically verifiable. They are also inevitable—unless we take action now. We might be choking in the smog of Los Angeles or watching acid rain fall in the frozen forests of Siberia—climate change recognises no borders, salutes no flags and upholds no laws. As Al Gore made clear in “An Inconvenient Truth”, meeting the challenge of climate change is technologically feasible and economically rational.

A sustainable Scotland needs to banish poor air quality, which is a relic of the Victorian era. We all know that toxic diesel fumes harm our children,

the elderly and the ill, and that they disproportionately hit people who live in disadvantaged urban areas. We already know what works: boosting energy efficiency and tackling fuel poverty, investing in public transport and active travel, and changing behaviours.

That is the big picture. What about the plan itself? There are a number of assumptions in the modelling of the climate change plan. One is that the emissions trading scheme will continue and the second is that carbon capture and storage will continue to play a key role in the future. The EU emissions trading scheme is, as members will know, the first and largest gas emissions trading scheme in the world. Its membership—the clue is in its name—comprises the 28 EU members and the three European Economic Area and European Free Trade Association members, which are Norway, Lichtenstein and Iceland. ETS membership will clearly be a negotiating point in the Brexit discussions, but there is no guarantee that a post-Brexit agreement will have Scotland in continuing membership. Has the cabinet secretary had any discussions with the UK Government about the EU ETS? Perhaps the minister can tell us in his winding-up speech. Would a UK scheme be feasible? We also know, as has been evidenced to the ECCLR Committee, that a larger scheme is better. Currently, the ETS covers about 40 per cent of UK emissions from the heavy polluters.

What about carbon capture and storage? Is it still feasible to have such heavy reliance on CCS in the climate change plan, when the UK Government is pulling the £1 billion funding? Again, I would welcome hearing the minister's comments on that in his closing speech.

It has been an interesting debate. It was opened by the convener of the ECCLR Committee, which I am on, who said that the CCP is “the blueprint” for a low-carbon Scotland. He also made the point that some of the work was done outwith the TIMES model, such as the work on transport and agriculture. Other members also commented on that. He also made the point that our committee unanimously feels that compulsory soil testing on improved land is something that we could pursue. I note that there is a slight difference of opinion in some other committees.

**Stewart Stevenson:** Will the member take an intervention?

**David Stewart:** I am sorry. I would love to take Stewart Stevenson's intervention, but I am short of time.

Gordon Lindhurst made the excellent point that behaviour change is vital to any planning in the future—we need to look at major, significant and long-lasting behaviour change. Bob Doris made a

useful point about the important role of local government and about seeing local government as our climate change leaders—our champions to develop our targets. He also made the vital point that we need to look carefully at our energy efficiency plans. Edward Mountain made a good and fair speech; he spoke about the TIMES model and he raised some criticisms about the lack of baseline data, the issue of financial information and monitoring, and how it is really important to have SMART targets. He also raised concerns—as did other members—about the extent of active travel, which is a vital component.

The cabinet secretary made the useful point that of course there will be a new bill, in the light of the Paris agreement. Restoration of peatlands was a vital aspect of the point that she raised—again, that has been welcomed by the ECCLR Committee. She feels that the TIMES model is a step forward: the Scottish Government is, I think, the first Government in Europe to choose the model for live planning of climate change discussions. The cabinet secretary also raised the issue of low emissions zones which, I understand, the Government is planning to pilot in 2018.

In conclusion—I am very conscious of time—I was reading just the other day that the great military strategist Helmuth von Moltke said that

“No battle plan survives contact with the enemy.”

The enemy in this context is, of course, climate change.

I believe that the climate change plan sets out a positive vision for the future, but we need to be more ambitious, we need to have clearer actions, and we need to start now. In the words of Barack Obama,

“there is such a thing as being too late. And when it comes to climate change, that hour is almost upon us. But if we act here, if we act now, if we place our own short-term interests behind the air that our young people will breathe, and the food that they will eat, and the water that they will drink, and the hopes and dreams that sustain their lives, then we won't be too late for them.”

16:37

**Peter Chapman (North East Scotland) (Con):** I refer members to my registered interests—in particular, those in agriculture and in renewable energy. I am glad that there has been a broad consensus within the debate that although the SNP's targets are laudable, they are also unlikely to be delivered. Unfortunately for the cabinet secretary, the broad consensus among many members was agreement about the limitations of the plan. Many members mentioned the lack of detail and lack of information in the plan, which have made scrutiny difficult, as well as the lack of baseline data from which to move forward.

Members also spoke about the challenging timescale for scrutiny of the plans. The REC Committee—as we heard from Edward Mountain—has called for 120 days to do the work, and the other committees have also said that they would like more time.

We have heard that transport targets are unlikely to be achieved and that walking and cycling targets need to be much more ambitious. We also need to be much more ambitious in driving down the estimated 27 per cent increase in car usage that will happen over the next number of years. Many members also spoke about the limitations of the TIMES model, although the cabinet secretary defended it. There was also much criticism of the omission of any work on blue carbon—Finlay Carson certainly highlighted that.

However, to be fair, the cabinet secretary highlighted that much has already been achieved and that we are ahead of our previous targets, which is to be commended. She also argued that technology must be used to drive emissions down further. Of course that must be part of it, but my colleague Alexander Burnett and others questioned how much we can rely on technology, much of which has not even been invented yet.

Richard Leonard was very critical of the aspiration to move from using North Sea gas to hydrogen to heat our homes by 2032, saying that that is unachievable in the timescale. I tend to agree—targets are laudable, but as I have said, they are unlikely to be delivered. That is not to say that it is impossible to deliver them—only that we have seen little evidence that the Government is capable of delivering them.

I am fully committed to the need for us to improve on how we protect the environment and deal with climate change. Indeed, within agriculture—which is obviously my main interest—great strides have already been made. I remind everyone that emissions from agriculture are down 25 per cent since 1990. I reckon that that is a good result, given that everyone—including the cabinet secretary—agrees that it is more difficult to lower emissions in the agriculture sector. Much of that change has been down to successful use of improved technology. That has not just been good for the environment, but has boosted farm profitability.

There has been much discussion of the need for soil sampling. That is a conversation that we in agriculture need to have—not just because there is a mistaken determination to make soil sampling compulsory, which I do not support, but because in the right circumstances when done properly and comprehensively it pays huge dividends for farmers. Of course, sampling is just the start. The results must be acted upon and the lime, phosphate, potash and organic matter levels need

to be adjusted as necessary for any benefits to be achieved. On grade 1 land, of course farmers should be sampling, but that does not apply on poor hill ground that never sees lime or fertiliser. In addition, maximising application of manures and slurries by using modern accurate machinery and then taking full account of the nutrients that have been applied can have a dramatic effect on reducing the need for bagged fertiliser.

Those are practical differences that we can make on the ground without the need for draconian penalties, because the extra work and attention delivers tangible results for our farmers. Education is the key to delivering a win for the environment and the farmers' bottom lines.

There are also improvements that we can make in animal production, particularly in the beef and dairy sectors. For the record, I am totally opposed to the daft suggestion that telling folk to eat less Scottish beef or drink less Scottish milk will save the planet. By ensuring high health status and good animal welfare, and pushing for faster-growing stock that are taken to market as quickly as possible, we can reduce emissions in those key sectors.

Last week I discussed at length the work that has already been undertaken by Scottish farmers to boost biodiversity on their land. I am happy to say that a similar situation exists when it comes to safeguarding our environment. Farmers are contributing to our climate change targets by pioneering the new technologies that I have already spoken of, but also by restoring peat bogs and planting acres of trees. I reaffirm that we welcome the Government's commitment to increase tree planting targets, although I add my earlier concerns regarding the likelihood of delivery of those targets.

The way to continue and improve upon that good work is through showing the benefits to our farmers and encouraging those who are sceptical of the benefits. We must raise awareness of the business benefits through education, whether that is through Scotland's Rural College or the monitor-farm programmes, because they contribute so much to increasing farm business efficiency and profitability.

We have heard much today on the wing and a prayer method that was used in putting together the Scottish National Party's climate change plan. It is a shame that in this policy area, on which there is much common ground across the chamber, the SNP has felt the need to rush the plan through without proper scrutiny.

**Graeme Dey:** Will the member take an intervention?

**The Deputy Presiding Officer:** You were just that minute too late, Mr Dey.

I call Paul Wheelhouse—you have up to seven minutes, minister.

16:44

**The Minister for Business, Innovation and Energy (Paul Wheelhouse):** Thank you, Presiding Officer. I am sure that you agree that it has been a lively and interesting debate, although not always a well-informed one. The Climate Change (Scotland) Act 2009 sets the timescales for consultation on the climate change plan and we all need to recognise that; 60 days is what we have to live with from the 2009 act and members across the chamber would do well to note that.

Through the delivery of the climate change plan, we will work with the Parliament and the people and businesses of Scotland to continue to drive down emissions by the equivalent of 66 per cent by 2032—an ambition which will see us not only achieve our climate change goals, but reap the many social and economic rewards. As Stewart Stevenson highlighted, we reached the 45.8 per cent target by 2014, six years early.

The draft climate change plan delivers a clear roadmap of the policy outcomes that need to be delivered, and at what scale, to hit our emissions reductions targets. The plan has at its root the robust analysis produced by TIMES, and it will be supported by our new monitoring framework.

**Mark Ruskell:** Will the minister take an intervention?

**Paul Wheelhouse:** I will just finish my point first.

Having had first-hand experience of leading the analytical work that underpinned RPP2, I know the amount of work that goes into creating a plan that addresses emissions in all areas of our society. That work is diligently done by Scottish Government officials and also involves extensive consultation. As the cabinet secretary said earlier, we have also built on the experience of the previous RPPs. However, Angus MacDonald was quite right to say that the TIMES model represents a significant step forward in the Government's carbon planning. Members do not need to take our word for that, as Matthew Bell, the chief executive of the UK Committee on Climate Change said that

“the TIMES model is a very good, transparent and rigorous framework”.—[*Official Report, Environment, Climate Change and Land Reform Committee*, 7 February 2017; c 5.]

The TIMES model has allowed us, for the first time, to make consistent judgments about where best to focus our efforts and to identify cost-effective pathways. However, we will of course consider the committees' views on our approach as we use the model for the final plan.

**Mark Ruskell:** Can the Government do another run of the TIMES model that removes carbon capture and storage but has increased ambition, particularly around modal shift?

**Paul Wheelhouse:** It is certainly our intention to look closely at the committees' recommendations in forming the final version of the document. I will touch on the issue of CCS later in my remarks, but the cabinet secretary will lead on that work. We will look at the work that is necessary for underpinning that document.

I will focus now on energy. The continued evolution and transformation of the energy sector in Scotland is absolutely critical to the delivery of the draft climate change plan. Scotland currently stands on an impressive record where the energy sector is concerned. The equivalent of over half of Scotland's electricity consumption is now generated by renewable sources in Scotland. In 2015, the amount of electricity generated in Scotland by renewables equated to 59.4 per cent of the gross annual consumption of electricity in Scotland, compared to 12.2 per cent in 2000. Mr Carson, who indicated that we were missing targets, might want to note that fact, because the 2015 figure was 9.4 per cent beyond the 2015 target.

Scottish companies and research institutions are now at the forefront of innovation in renewable energy technologies and services. We are a world-leading location for the research, development and commercialisation of renewable energy. Scotland's remote and island communities are successfully demonstrating complex, clean energy solutions. We will continue to support those developments to extend across the whole of Scotland the lessons learned. However, as I have acknowledged previously, significant challenges lie ahead if we are to continue to make progress towards meeting our ambitious climate change targets and to maximise the social and economic benefits of our transition to a low-carbon economy. Achieving our ambitions will require the belief and commitment of the members of this Parliament, our energy industry partners and the people of Scotland. It will also require ingenuity and innovation to overcome the constraints placed on us by UK Government policies.

The draft energy strategy supports the delivery of a stable, managed transition to a low-carbon economy, highlighting a range of technologies and fuels that will supply our energy needs over the coming decades. That includes a landmark proposal for a new 2030 all-energy renewables target, setting an ambitious challenge to deliver the equivalent of 50 per cent of Scotland's energy requirements for heat, transport and electricity from renewable energy sources.

We remain committed to the development of carbon capture and storage in Scotland, despite the current setbacks and the UK Government flip-flopping on policy and funding. We believe, as do international authorities, that CCS is a cost-effective way of meeting our emissions targets. The UK Committee on Climate Change proposes CCS as an advanced way of reducing large-scale emissions, not only for the power sector but for industrial applications. Scotland is not only ideally placed to exploit renewables, but is well placed for CCS because it has the pipeline infrastructure and CO<sub>2</sub> storage capacity to support the development and deployment of commercial-scale CCS. However, we must protect those pipelines from early decommissioning.

Our draft energy strategy sets out a range of proposed new actions to support CCS in Scotland, including the application of bioenergy with CCS to produce negative emissions, as is set out in the draft plan. We are keen to ensure that the final climate change plan is clear about the points at which major decisions about CCS and other key technologies need to be taken and the milestones at which we anticipate key staging points in the development of those technologies.

In all our success in delivering clean energy supplies, we must acknowledge the role of the UK Government. The direction of its approach has shifted significantly since 2015 in, I would argue, a largely unhelpful direction. UK Government policy changes towards renewables and carbon capture and storage have created a huge dent in investor confidence that will be hard to regain, and the recent industrial strategy consultation was very light on energy measures.

In addition—Alexander Burnett might want to note this—it appears that the UK Government is unable to commit to publishing its emissions reductions plan, as rumours are coming out from a Tory back-bench MP that the plan might not appear until June, whereas it was originally due in 2016.

Securing safe, secure and sustainable supplies of energy in Scotland is only one part of the challenge. Transforming the way that energy is used will also be fundamental to our approach. Our vision is that, by 2050, through Scotland's energy efficiency programme, we will have transformed the energy efficiency and heating of our buildings so that, where it is technically feasible and practical, buildings will be near to zero carbon. That will make our homes, shops, offices, schools and hospitals warmer and easier to heat, it will help to tackle fuel poverty, and it will help businesses to improve productivity and competitiveness.

We are consulting on the finer details of that approach under the energy strategy and SEEP

consultations. We also have an onshore wind policy statement out for consultation, and district heating and local heat and energy efficiency plan consultations. We need to recognise that there is a lot of detail underpinning the energy strategy. The responses to those consultations will be considered as we finalise both the energy strategy and, ultimately, the climate change plan.

Securing the economic, environmental, social and commercial benefits of our new approach is a shared endeavour. Beyond the period of parliamentary scrutiny of the draft climate change plan, we will continue with the comprehensive consultation on the draft energy strategy, which closes on 30 May.

There is much else that I could say, but I have used up my time. Points were made about blue carbon, and we will be taking that forward. I point out to Conservative members that 83 per cent of all the forestry planting in 2015-16 was in Scotland.

16:51

**Maurice Golden (West Scotland) (Con):** It is an honour to close the debate in my capacity as deputy convener of the Environment, Climate Change and Land Reform Committee. We have heard meaningful and helpful contributions on the draft third report on policies and proposals—the draft climate change plan—throughout the debate. A central tenet that we heard about from all the speakers was a commitment to recognise that climate change must be tackled and that doing so and leading the way in that process globally will mean taking some difficult and challenging decisions.

I will cover three key areas: scrutiny of the draft plan now and going forward; the contribution by the waste sector; and the contribution from the public sector. Before that, I will reflect on some of the points that were made in the debate.

Graeme Dey highlighted the need for further clarification of pathways to deliver on the plan, and he outlined issues around the application of the TIMES model. The Cabinet Secretary for Environment, Climate Change and Land Reform highlighted previous success in the area and believed that the use of the TIMES model should be seen as a significant step forward. She referred to a steep learning curve as regards its use but said that we should persevere with it. She also said that the emphasis on technological advancement is correct, and she summed up by concluding that we all need to work together to deliver on the plan—a point that I am sure we can all agree on.

On scrutiny, the Environment, Climate Change and Land Reform Committee welcomed the

approach that brought together the expertise of four committees to critically enhance the draft plan; and, more generally, we support the mainstreaming of climate change issues in the work of the Scottish Parliament.

We heard the convener of each of the four committees outline their views. Gordon Lindhurst, speaking on behalf of the Economy, Jobs and Fair Work Committee, covered transparency, the timescale and behaviour change, and expressed a wish for more detail on budgets and timelines, before embarking, somewhat tangentially, on posing a question about whether androids sleep or indeed dream

Bob Doris, speaking on behalf of the Local Government and Communities Committee, said that we need to use the planning system to tackle climate change and highlighted concerns about how the decarbonisation of heat will be achieved.

Edward Mountain, speaking on behalf of the Rural Economy and Connectivity Committee, outlined concerns about assumptions and delivery in relation to the agriculture, transport and forestry sectors.

Overall, the Scottish Government's approach to developing the draft plan has differed from that used to create previous reports on policies and proposals. The consultation process involved hosting climate conversations with members of the public and sector-based workshops for stakeholders, as well as a stakeholder event on the draft plan as a whole. While the committee welcomes the intention in conducting a wide-ranging engagement process, it considers that it was not executed sufficiently far in advance to inform the plan or to give stakeholders confidence in the process. The committee expects the Scottish Government to engage further with stakeholders and to seek advice from the Committee on Climate Change when finalising the plan. Information on that further engagement should be included in the plan.

The committee believes that the Scottish Government's approach of consulting on the draft energy strategy, in tandem with the parliamentary scrutiny process of the draft climate change plan, while unavoidable, was unhelpful and did not afford Parliament the opportunity to consider fully developed proposals within the draft plan. The final plan should state explicitly how the results of the draft energy strategy consultation have contributed to the plan, and it should clarify the relationship between the plan and all other relevant national strategies.

The committee plans to review the final climate change plan. It notes that it has been Scottish Government practice to present the final plan prior to the summer recess of the parliamentary year.

However, given the issues identified by the stakeholders and the various committees, it encourages the Scottish Government to prioritise consideration of the matters raised by the scrutiny process over working to any deadline.

The committee looks forward to scrutinising the forthcoming Climate Change Bill, which it hopes will extend the period available to the Scottish Parliament for consideration of future reports on policies and proposals. The committee also seeks a commitment from the Scottish Government that any relevant changes to climate change legislation will be reflected in an updated plan.

On the issue of waste, the committee supports the Scottish Government commitment to explore how producer responsibility schemes can be made more effective. It recognises the extent of the contribution that must be made by the further development of the circular economy and recommends that the final climate change plan includes detailed information on the contribution of that to the policies and proposals in the waste sector.

Given the concerns raised by stakeholders about the challenges associated with meeting the target to end landfilling of biodegradable municipal waste by 2020, the committee recommends that the Scottish Government provides further detail about the actions that it is putting in place to achieve that while ensuring that it does not result in an increase in that waste being treated in energy from waste facilities.

Another major issue was the late timing of receipt of the clarification of how waste was included in the model, which made it impossible for the committee to carry out scrutiny and to consider that fully in its report. That clarification also revealed that the land use sector, in addition to agriculture, had been modelled externally. The committee considers receiving such significant briefings following the conclusion of its evidence taking to be very unhelpful. Furthermore, it believes that information of material importance to its consideration of the draft plan should have been contained in the plan itself. The committee strongly believes that all sectors should be considered consistently within the same model framework.

The committee considers that the public sector is vital to the successful delivery of the plan. However, it questions the current capacity and commitment of some public sector organisations. It considers that climate change leadership needs to be prioritised across the public sector and recommends that the Scottish Government reflects on the calls for action to address barriers to climate change leadership in the public sector. In the final climate change plan, further information should be provided on the action that the

Government is taking to support strong leadership on climate change across the public sector.

In closing, the committee recognises Scotland's ambitious and world-leading efforts in the quest to reduce carbon emissions and to curtail the pace of climate change. The Climate Change (Scotland) Act 2009 was an innovative step in that process, and the committee is pleased to be working to achieve the aims of that groundbreaking legislation.

## Farriers (Registration) Bill

16:59

**The Presiding Officer (Ken Macintosh):** The next item of business is consideration of legislative consent motion S5M-04445, in the name of Roseanna Cunningham, on the Farriers (Registration) Bill.

*Motion moved,*

That the Parliament agrees that the Farriers (Registration) Bill, introduced in the House of Commons on 29 June 2016, so far as this matter falls within the legislative competence of the Scottish Parliament or alters the executive competence of Scottish Ministers, should be considered by the UK Parliament.—[*Roseanna Cunningham*]

## Decision Time

17:00

**The Presiding Officer (Ken Macintosh):** Two questions are to be put as a result of today's business. The first question is that motion S5M-04534, in the name of Graeme Dey, on reports on the "Draft Climate Change Plan: The draft third report on policies and proposals 2017-2032", be agreed to.

*Motion agreed to,*

That the Parliament notes the reports of the Environment, Climate Change and Land Reform Committee, the Economy, Jobs and Fair Work Committee, the Local Government and Communities Committee and the Rural Economy and Connectivity Committee on the Scottish Government document, *Draft Climate Change Plan - the Draft Third Report on Policies and Proposals 2017-2032*.

**The Presiding Officer:** The final question is, that motion S5M-04445, in the name of Roseanna Cunningham, on the Farriers (Registration) Bill, be agreed to.

*Motion agreed to,*

That the Parliament agrees that the Farriers (Registration) Bill, introduced in the House of Commons on 29 June 2016, so far as this matter falls within the legislative competence of the Scottish Parliament or alters the executive competence of Scottish Ministers, should be considered by the UK Parliament.

*Meeting closed at 17:00.*

This is the final edition of the *Official Report* for this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

---

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

---

All documents are available on the Scottish Parliament website at:

[www.parliament.scot](http://www.parliament.scot)

Information on non-endorsed print suppliers is available here:

[www.parliament.scot/documents](http://www.parliament.scot/documents)

For information on the Scottish Parliament contact Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: [sp.info@parliament.scot](mailto:sp.info@parliament.scot)

---



The Scottish Parliament  
Pàrlamaid na h-Alba