

Just Transition Commission



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Co-Chair

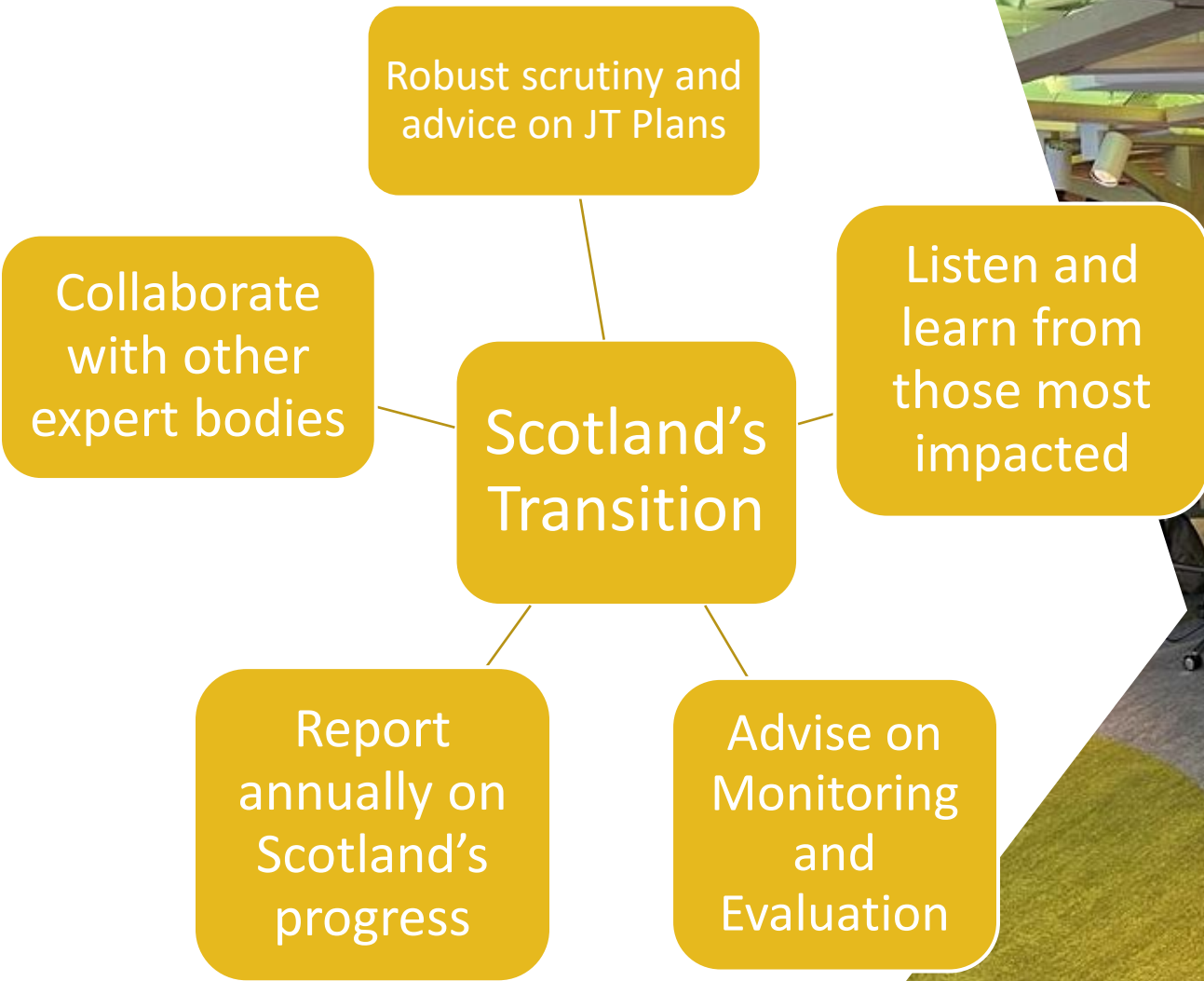
Agenda

- Scotland's Just Transition Commission – remit and approach
- Advice so far to government on fuel poverty

Defining “just transition”

- Scottish Government definition:
Just transition is how we get to a net zero and climate resilient economy, in a way that delivers fairness and tackles inequality and injustice.
- Key principles:
 - Brings together economic, social and climate objectives
 - Social dialogue and participation
 - Both an outcome and a process
 - Aims to ensure that no one is left behind and those most impacted are at the heart of the conversation

Just Transition Commission II



Just Transition Commission II

- Leaders and experts from across industry, trade unions, business, technology, science and academia, environmental groups, and equalities organisations
- Independent from government



Engagement



Initial report (July 2022)

Guiding principles:

- **Urgency** and **Justice** –The current economic and social situation highlights the lack of resilience in our system [...] Scotland's decarbonisation transition is already underway, in the context of **widening inequalities** and a cost-of-living emergency. Government policy needs to redress these inequalities, not widen them.

Recommendation on Energy sector:

- Tackling fuel poverty: Action on energy efficiency is urgently needed. For low-income households to switch from fossil fuels to clean energy requires both supply and demand measures – addressing pricing barriers for renewable sources, and reducing energy consumption through increased efficiency. **Affordable clean energy must be available to all**, and government needs to consider how community-led clean energy solutions can build resilience and **distribute wealth** into the areas that need it most.

(Continued) -- Initial report (July 2022)

Strategic priority for Built Environment and Construction sector:

- **Tackling fuel poverty:** With the number of households living in fuel poverty dramatically increasing, **there is a need to ramp up further schemes to tackle fuel poverty.** There needs to be a continued focus on targeting support at those most in need, both in the immediate term and the longer-term, by improving the energy efficiency of homes and replacing fossil fuel heating systems with renewable alternatives where this directly benefits those in fuel poverty by reducing energy costs.

Top recommendation for Built Environment and Construction sector:

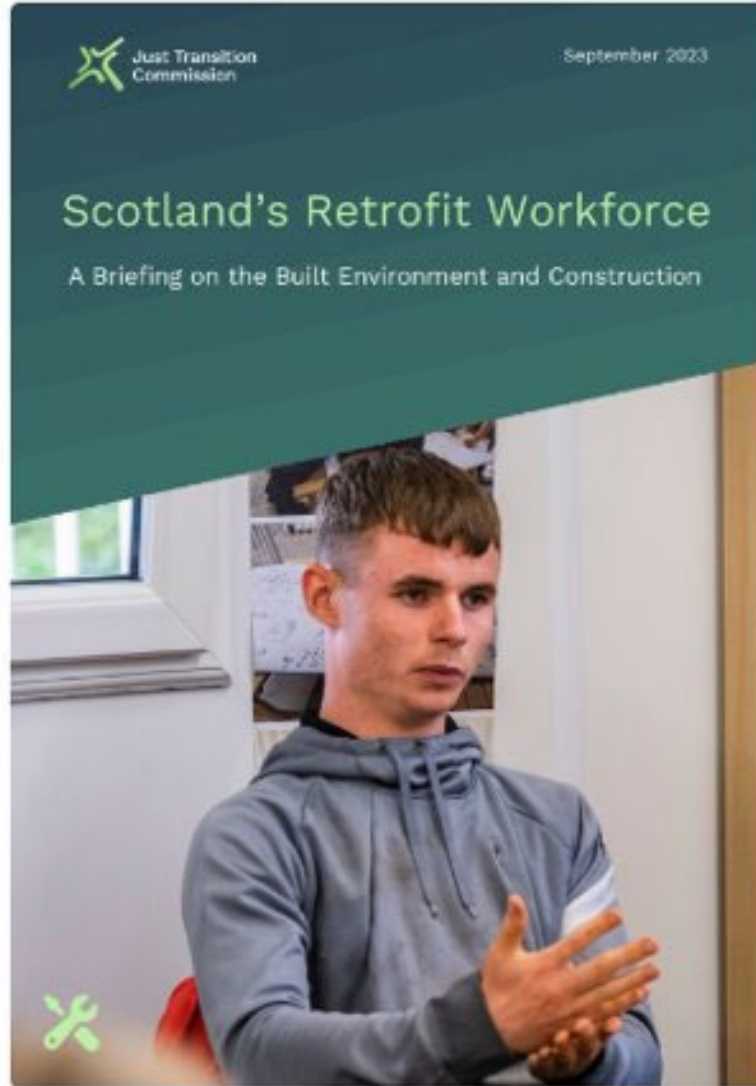
- **Access to fuel poverty schemes should be broadened.** More homes are in fuel poverty but their entitlement to benefits may not have changed, so eligibility criteria should be less strict to help more homes. This can only be achieved with **increased public funding**, including for energy efficiency grant based schemes.

Detailed advice on Scotland's Energy Strategy

- "A guiding principle for this and other just transition plans is that the just transition needs to be **redistributive in principle and delivery**. The [Scottish Government's Energy Strategy and Just Transition Plan] needs to **reflect the urgency of the cost of living crisis and in particular fuel poverty.**"
- **M&E:** the energy strategy should be geared towards an initial group of core metrics, with fuel poverty the first among these
- **Follow the money:** "Lack of strategic connection between major financial gains of the transition with areas of significant financial need to deliver fairness (eg fuel poverty, energy cost crisis, retrofit, etc)"
- **Whole-of-government:** "Access to a warm, affordable home should be applied across all plans as a core strategic deliverable and a basic human rights principle. Just transition planning should link in with relevant areas of policymaking across government portfolios to eradicate fuel poverty and homelessness."

“Equity” roundtable on Scotland’s Energy Strategy

- The ESJTP needs to include further actions to **alleviate severe hardship endured by those currently disadvantaged by the energy system, including those in fuel poverty.**
- The strategy details major renewables expansion, however, it is not clear how the **consumer** will benefit. When discussing costs and benefits of the transition, this must be clearly attributed. There needs to be mechanisms for profit-sharing from renewables expansion or public equity stakes.
- Overall, the strategy should give more focus **to inequalities and justice.** It provides little detail on considerations related to gender, race, or disability.



Sector Briefing – Built Environment and Construction

"The difficult conversation about who pays for the decarbonisation of our built environment needs to start now. There is a clear risk that these costs will be distributed unfairly, with those who can afford to pay for the work required will be highly resistant to doing so"

Thank you



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