

December 18, 2023

Dear Members of Economy and Fair Work Committee

Just Transition for the North East and Moray Inquiry – Planning and Consenting

Thank you for the opportunity to provide evidence as part of the Committee's inquiry into a Just Transition for the North East and Moray on November 15. As requested, I write to provide more information on Scottish Renewables' priorities for planning and consenting to benefit the just transition to net-zero.

Scottish Renewables believes that a fully resourced planning and consenting system which enables faster, more effective decisions, ensures local views are heard proportionally and invests in stakeholder resources to support this is central to the just transition. With increasing global competition, creating an efficient planning and consenting system can ensure Scotland maintains our early-mover advantage.

Scottish Renewables welcomed the National Planning Framework 4 (NPF4) as a remarkable and major step forward for its ambition to encourage, promote and facilitate all forms of renewable energy development onshore and offshore. NPF4 removed some of the barriers which for too long have stood in the way of sustainable development which contributes not only to mitigating the effects of climate change but also to the economic prosperity of some of Scotland's most remote areas.

Since the approval of NPF4, Scottish Renewables has welcomed the continued ambition of the Scottish Government to accelerate planning and consenting timeframes. The Scottish Onshore Wind Sector Deal, agreed with industry, includes a commitment to halve the average determination time for section 36 applications to 12 months where there is no public inquiry and two years with an inquiry. The Programme for Government 2023/24 has also committed to shortening timeframes where possible by ensuring the most efficient management of both pre-application and post-consent processes.

Achieving this ambition, however, will only be possible if our planning and consenting systems, including associated government directorates and consenting bodies such as NatureScot, are properly resourced with the finance, workforce and skills required to handle the scale and complexity of renewable energy applications at the pace needed to achieve net-zero. This is felt most acutely in our local authorities where Scottish Renewables research has found that the number of planning department staff employed fell by 20% between 2011 to 2020, from 1,515 in 2011 to 1,216 in 2020.

The Scottish Government, in collaboration with industry and the further education system, must take urgent steps to train and recruit a home-grown workforce for our planning and consenting system, as well as taking steps to support the retention of existing expertise and encouraging greater cooperation between local authorities to share technical expertise and resource for energy applications. With an early-mover advantage and world-leading pipeline of offshore wind projects, Scotland has a real opportunity to create an exportable expertise base for renewable energy planning and consenting.

The consenting process holds the key to making projects happen and being able to maximise the economic success of projects such as ScotWind and Innovation and Targeted Oil & Gas (INTOG). A robust consenting framework which provides high-quality policies, guidance and expertise is also needed to ensure consistency, transparency and predictability to underpin supportive investor confidence and certainty for supply chain businesses awaiting opportunities in the renewable energy pipeline. However, Scotland's consenting framework requires urgent resourcing in order to provide efficient guidance for industry and, ultimately, consent for the multiple gigawatts needed within the next six years.

It must also be recognised that, although securing adequate resourcing remains imperative, additional investment alone will not optimise the functioning of the consenting system or its role in supporting the deployment of offshore wind at pace and scale. The Scottish Government should explore 'smart resourcing', supported by industry, to drive efficiencies and prioritise effort where it is most needed and adds the most value to consenting. In addition, with consenting shaped by myriad of overlapping UK and Scottish issues, strong leadership and cooperation by will also be critical to optimise the effectiveness and efficiency of planning for offshore wind which will be critical to delivering a just transition.

Efficient planning and consenting processes are also critical for onshore renewable energy developments, particularly for new electricity transmission infrastructure. As the UK Government's Electricity Networks Commissioner, Nick Winsor, stated in his August 2023 recommendations, the significant amount of wind generation in the pipeline in Scotland means that we need to quickly develop substantially better transmission infrastructure. This is not only essential for connecting the scale of clean energy projects required to lower consumer bills and boost energy security, but to enable wider industrial decarbonisation and economic growth provided by a modern grid network.

With electricity demand set to rise by 50% over the next decade, National Grid ESO estimates that five times more transmission lines need to be built by 2030 than have been built in the past 30 years. However, the Beaulieu-Denny transmission line took 14 years to complete which is a timeframe not acceptable for the pace required today. Put simply, there will be no transition without transmission.

Alongside welcome reforms by Ofgem to speed up grid queue management, Scottish Renewables has welcomed the recent publication of a Transmission Acceleration Action Plan and Connections Action Plan by the Department for Energy Security and Net-Zero (DESNZ). These publications have committed to cutting average grid connections by 90% from five years to six months and halve the build time for new transmission infrastructure from 14 to seven years. DESNZ has also committed to carrying out thorough review of energy consenting rules in Scotland, with proposals set for consultation next year.

Scottish Renewables encourages the UK Government to work closely with the Scottish Government to swiftly bring forward measures which will enable an effective onshore grid consenting regime to support critical infrastructure delivery, such as ensuring all transmission applications made under Section 37 of the Electricity Act 1989 should be delivered within 12 months. This will support projects such as SSEN Transmission's Pathway to 2030 programme which is expected to support 9,000 jobs in Scotland through once-in-a-generation grid network upgrades and new infrastructure.

Finally, efficient planning and consenting processes is also critical for upgrades to our strategic ports which will be a lynchpin to our offshore supply chain ambitions. However, unlike their European competitors such as Esbjerg (Denmark), Scottish ports are still not fully equipped to provide the supply chain requirements needed to meet our green energy ambitions.

As outlined by the Floating Offshore Wind Taskforce 'Industry Roadmap 2040' report, upgrading at least three Scottish ports into new industrial and manufacturing hubs is essential to kickstarting Scotland's floating offshore wind industry, with an estimated £4 billion investment needed across the UK's ports by the end of this decade. Scottish Renewables believes all strategic ports, in addition to Scotland's two Green Freeports, require urgent public and private investment to deliver a successful just transition.

Scottish Renewables welcomes the Scottish Government's commitment to invest up to £500 million over the next five years in Scotland's offshore wind supply chain, specifically to leverage private investment in ports, manufacturing and assembly work. This investment must be strategically targeted alongside the UK Government's £960 Green Industries Growth Accelerator and Floating Offshore Wind Manufacturing Scheme to attract inward investment, foster export opportunities and expand green skills.

The Scottish Government should seek to fast-track port upgrades, including the expansion of wet storage and manufacturing facilities, in recognition of their strategic importance to the just transition. Specifically, Scottish Renewables are calling for UK and Scottish Government investment, alongside the Strategic Investment Model to provide consenting seed funding to close existing investment gaps whilst our ports prepare for the incoming pipeline of projects. In addition, Scottish Renewables believes that the Scottish and UK Governments, with bodies such as the Scottish National Investment Bank and UK Export Finance, should expand their financial guarantees support for ports to secure crucial CapEx funding.

I hope this letter alongside our earlier call for evidence submission is helpful, but please do not hesitate to get in touch should you require any additional information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'E. Harrick', with a horizontal line extending to the right.

Emma Harrick
Head of Energy Transition and Supply Chain