



Appendix A

Summary of Phase 1 Recommendations



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↓ 01

Leadership

To provide leadership and demonstrate intent, the Scottish Government should prioritise all new infrastructure investment decisions based on their contribution to the delivery of an inclusive net zero carbon economy:

1. All Scottish Government funded projects included in its 2020 Infrastructure Investment Plan should be prioritised against available inclusive net zero carbon economy outcomes.
2. The Scottish Government should, by 2021, develop and publish a new infrastructure assessment framework and methodology that will enable system wide infrastructure investment decisions to be prioritised on the basis of their contribution to inclusive net zero carbon economy outcomes.
3. The Scottish Government should publish by 2023 a system wide Scottish Infrastructure Needs Assessment covering all infrastructure sectors defined by Scottish Government and we recommend the inclusion of natural infrastructure. The Assessment should be refreshed and updated at least every 5 years thereafter.
4. A fully updated Infrastructure Investment Plan should be developed by the Scottish Government for publication by 2025 using the new assessment framework and methodology and informed by the Infrastructure Needs Assessment.

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Place

To achieve an inclusive net zero carbon economy, the Scottish Government should put “place” at the heart of coherent, infrastructure prioritisation and planning. To enable this to be achieved:

5. The Scottish Government should lead the development of a place based assessment of long term housing supply and demand across Scotland by 2021, supported by the development of a coherent strategy for the labour market and business opportunities arising from an inclusive net zero carbon economy.
6. To support the implementation of National Planning Framework 4 and the new system of development plans, a co-ordinated and appropriately resourced Infrastructure First approach to the planning system should be introduced by the Scottish Government by 2021. This should be undertaken with infrastructure providers, developers and other public bodies, to ensure the effective delivery of a Scotland wide, integrated and coherent outcome based approach to planning spatial land use; with implementation to be undertaken at the appropriate regional, local and community level.

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Making the most of existing assets

Most of the underlying infrastructure that will be used in 30-years’ time already exists today. It is therefore essential that these assets are most effectively and efficiently utilised, maintained and enhanced to net zero carbon readiness.

7. By the end of 2020, the Scottish Government should require all public sector infrastructure asset owners to develop asset management strategies containing a presumption in favour of enhancing, re-purposing, or maintaining existing infrastructure over developing options for new infrastructure. New infrastructure should only be considered where the relevant authority has demonstrated this is the most appropriate response.
8. To support this, the Scottish Government should now prepare guidance for relevant authorities on a whole-life approach to infrastructure maintenance and prioritisation which includes both cost and build resources. It should also include guidance on assessing the wider net zero carbon and inclusive economic growth priorities that need to be established.
9. There should also be a presumption against like-for-like replacement of existing assets and the construction of new, single organisation/purpose assets in favour of shared facilities.
10. To support the creation of a vibrant circular economy for Scotland, by 2023 the Scottish Government should establish a route map for the implementation of a viable outcome focused system of resource use, reduction, collection, treatment and repurposing.
11. Drawing upon available evidence, including the 2nd Scottish Climate Change Adaptation Programme, by 2023, the Scottish Government should develop a clear implementation plan, to address critical natural and built infrastructure climate resilience and adaptation needs.



Heat and Transport

Key priorities for Scotland in reaching net zero carbon over the next 30-years will be accelerating the decarbonisation of heat and transport.

Decarbonisation

12. By the end of 2020, and to augment legislation already being considered, the Scottish Government should set out proposals to substantially accelerate the development and implementation of incentives, support mechanisms and standards for energy efficient, net zero carbon buildings across Scotland. This should include 'whole building' solutions and systematic public engagement, customised to the needs of different groups, to ensure that all property owners engage with proposed changes and are committed to upgrading their property.
13. By 2022, the Scottish Government, local authorities, regulators and industry should work together to establish the viability, incentivisation mechanisms and a route map for the transition to net zero carbon that in combination addresses heating for domestic, commercial and public buildings as well as all surface-based transportation.

Transport

14. The Scottish Government should ensure that its new National Transport Strategy and Strategic Transport Projects Review 2, which are due to be published during 2020, fully reflect the need to deliver an inclusive net zero carbon economy and consider the infrastructure and the use of it as a holistic system. This should include:
 - > Aligning strategic investment decisions to address fully the requirement for demand management, a substantial increase in the proportion of journeys made by active travel, and opportunities for shared mobility as well as a much greater role for public transport.
 - > For such roads investment that is made as part of the above, a presumption in favour of investment to future proof existing road infrastructure and to make it safer, resilient and more reliable rather than increase road capacity.
15. Investment decision making based on the above framework will require a significant change to investment guidance. Therefore, by the end of 2021, the Scottish Government and Transport Scotland should develop a new investment appraisal and decision-making process, incorporating necessary changes to the current Scottish Transport Appraisal Guidance (STAG) and Investment Decision Making Guidance.
16. To enable a managed transition to an inclusive net zero carbon economy road infrastructure, the Scottish and UK Governments should immediately commit to work together to establish a charging/payment regime alternative to the existing fuel and road taxation based structure. The Scottish Government should also consider additional options that could provide a more stable long term investment regime for the management and maintenance of road infrastructure to meet the priorities identified in 14 above.

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Regulation

To incentivise investment at the necessary pace and scale to meet future infrastructure requirements for Scotland, regulation will be a critical component to the delivery of a 30-year inclusive net zero carbon economy vision.

17. Building on the findings of the recent UK National Infrastructure Commission review of Energy and Telecoms regulation, the Scottish and UK Governments should immediately commit to work together to develop by 2021, an appropriately devolved regulatory and pricing framework that enables energy and telecoms infrastructure investment to be planned and delivered to meet the future needs of Scotland.
18. Building on the existing plans, and the commission's recommendation to incorporate natural infrastructure, the Scottish Government should by 2021 consider options for longer term implementation and regulatory coherence across water provision and flood management and resilience.

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Digital & Technology

Ensure every citizen, organisation and business in Scotland has the ability to access digital public services, to undertake trade and commerce and to participate in future global economic markets regardless of geographic location.

19. In conjunction with the regulatory reforms highlighted in 17, the Scottish Government should provide the leadership required to ensure the delivery of a full fibre network for Scotland by 2027 to enable the transition to 5G across the whole of Scotland.
20. To ensure Scotland's place in the world and increase its international presence and connectivity resilience, the Scottish Government should prioritise support for an indigenous data centre market and investment in direct international fibre optic cables.
21. From 2020, the Scottish Government should consider the future data requirements and data potential for all new publicly funded infrastructure as well as the potential for the use of digital services associated with the assets.

Recommendations
(continued)

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The role of the public

Much greater participation of the public needs to be incorporated as an integral part of infrastructure investment decision-making:

22. By 2022, the capacity and capability requirements for an informed approach to public engagement and participation needs to be clearly established and implemented by the Scottish Government, to ensure that short and long term outcome trade offs are effectively debated, understood and taken into consideration.

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Independent long-term advice

To enable government, regulators and industry to make the transition to a long-term, coherent, systems wide approach to place-based infrastructure strategy and planning.

23. By 2021, a body should be given the responsibility by the Scottish Government to provide independent, long term, evidence-based advice to Scottish Ministers on investment decisions for the social, economic and natural infrastructure needs and priorities required to deliver an inclusive net zero carbon economy.