

SCREENING REPORT

Scottish Government version

STEP 1 – DETAILS OF THE PLAN	
Responsible Authority:	Box 1. Scottish Borders Council (SBC)
Title of the plan:	Box 2. Scottish Borders Council's Local Heat and Energy Efficiency Strategy & Delivery Plan
What prompted the plan: (e.g. a legislative, regulatory or administrative provision)	Box 3. Scottish Statutory Instrument was passed by the Scottish Parliament which requires Scottish Borders Council to have Local Heat & Energy Efficiency Strategy and delivery plan in place by the end of 2023. The Order is the Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 and came into force on 21 st May 2022. Link to Scottish Statutory Instruments - The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 (legislation.gov.uk)
Plan subject: (e.g. transport)	Box 4. Energy (Energy Efficiency & Heat)
Screening is required by the Environmental Assessment (Scotland) Act 2005. Based on Boxes 3 and 4, our view is that:	Scottish Borders Council will require to conduct an SEA, as the environmental effects are likely to be significant: Please indicate below what Section of the 2005 Act this plan falls within Section 5(3)
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Date:	15.11.23

STEP 2 – CONTEXT AND DESCRIPTION OF THE PLAN

Context of the Plan:

Box 5. The following strategies and policies define the targets and ambitions context for Scottish borders in relation to fuel poverty and energy efficiency.

National Context for Local Heat and Energy Efficiency Strategies (LHEES)

These are the key national plans & strategies underpinning the Scottish Government's ambitions around net zero, and implications for building energy efficiency & heating.

Draft Energy Strategy & Just Transition Plan (2023)

Plan for the whole energy system in Scotland including heating, transport, energy generation.

Vision: by 2045 a climate-friendly energy system that delivers affordable, resilient and clean energy supplies for Scotland's households, communities and businesses.

Heat in Building Strategy (2021)

Pathway to meet 2045 net zero emissions across all homes & buildings

Affordable heat & address fuel poverty.

Support economic investment & supply chain development.

Introduces LHEES (heat & energy efficiency) as a way to support the coordination of action in Scotland to help meet targets in relation to heat & energy efficiency.

Heat Networks (Scotland) Act (2021)

Regulation of heat networks to support growth of heat networks in Scotland.

Coming into effect in 2024.

Key targets outlined in national plans/strategies:

- Net zero emissions by **2045** and 75% reduction by **2030**.
- 2.6 Terawatt hours (TWh) of output by **2027** and 6 TWh by **2030**.
- **By 2030** emissions from buildings have to be 68% lower than 2020 levels, which requires zero emissions heating in:
 - The vast majority of 170,000 off-gas fossil fuel heated homes
 - At least 1 million on-gas homes
- By 2030 the large majority of buildings achieve a good standard of energy efficiency.
- By 2033 all homes have the equivalent of EPC C.
- **By 2045** our homes and buildings no longer contribute to climate change.

LHEES specifically are expected to be primarily driven by Scotland’s statutory targets for greenhouse gas emissions reduction and fuel poverty:

- Net zero emissions by 2045 and 75% reduction by 2030.
- In 2040, as far as reasonably possible, no household in Scotland is in fuel poverty.

LHEES – as outlined further below – is a new duty to support the coordination and delivery of the Scottish Government’s objectives & targets in relation to heat and energy efficiency. Specifically, LHEES is a key component of the Government’s Heat in Buildings Strategy.

The statutory duties around LHEES have been enacted by the Scottish Government to ensure consistent, comprehensive coverage of Local Heat and Energy Efficiency Strategies across Scotland, and enable local planning, coordination and delivery of the decarbonisation of Scotland’s homes and buildings.

Description of the Plan:

Box 6. LHEES will work as a long-term plan for Scottish Borders Council to decarbonise heat and improve energy efficiency within its domestic and non-domestic stock. By implementing the LHEES, SBC will:

- Set out how each segment of the building stock needs to change to reach net zero.
- Identify strategic heat decarbonisation zones, and sets out the principal measures for reducing buildings emissions within each zone.
- Prioritise areas for delivery of heat decarbonisation action.
- Act as a prospectus for where government funding and private investment for heat decarbonisation and energy efficiency investment should be targeted.

An LHEES is structured in two parts:

- A Local Heat and Energy Efficiency Strategy
- A Local Heat and Energy Efficiency Delivery Plan

LHEES will underpin an area-based approach to heat and energy efficiency planning and delivery. LHEES Strategies will set out the long-term plan for decarbonising heat in buildings and set out how each segment of the building stock needs to change to meet national and local objectives, including achieving zero greenhouse gas emissions in the building sector, and the removal of poor energy efficiency as a driver of fuel poverty.

With the LHEES Strategy, SBC will identify strategic heat decarbonisation zones, and set out the principal opportunities and measures for reducing buildings emissions within each zone; and with the Delivery Plan, SBC will prioritise areas for delivery, against national and local priorities.

Note the identification of Strategic Zones and Delivery Areas through the LHEES Strategy and Delivery Plan will be indicative. Site specific recommendations regarding priorities for implementation are beyond the purpose and scope of this Strategy and Delivery Plan and will be dealt with at the more appropriate scale of site-specific proposals. Any site-specific impacts are equally more substantially assessed at this detailed planning and implementation stage where required.

The scope of LHEES is focused on energy efficiency and heat decarbonisation. It does not extend to wider local energy system planning directly. Completion of the LHEES Strategies and Delivery Plans by Scottish Borders Council will support the Scottish Government to understand further the national landscape for the delivery of heat decarbonisation and where there are potential gaps to support the needs and aspirations of local authorities. It should also help to ensure that Scottish Borders Council is delivering changes to buildings and local infrastructure at a suitable rate to help achieve national targets as set out in the Heat in Buildings Strategy, and that there is a level of standardisation and consistency between Scottish Borders Council's LHEES Strategy and Delivery Plan.

Scottish Borders Council will recommend actions that include projects around decarbonised heat and energy efficiency improvements. This will cover both domestic and non-domestic sectors and include consideration of heat networks, heat decarbonisation (e.g. heat pumps) and energy efficiency improvement measures, including addressing poor building energy efficiency as a driver for fuel poverty.

The Scottish Government has prepared Guidance to support the preparation of LHEES Strategies and Delivery Plans ([link](#)).

What are the key components of the plan?

Box 7. See full detail of the components of LHEES as contained in Section 1 of the LHEES Guidance ([link](#)).

LHEES Strategy – Sets out Scottish Border Council's long-term strategy for the improvement of the energy efficiency of buildings and the reduction of greenhouse gas emissions resulting from the heating of such buildings in the context of the relevant EPC and net zero targets.

LHEES Delivery Plan – sets out how Scottish Borders Council proposes to support implementation of its strategy, building on existing plans, programmes and targeting existing and near future funding in short to medium term (5 year).

LHEES priorities are listed in the table below:

Have any of the components of the plan been considered in previous SEA work?

	No.	LHEES considerations
Heat decarbonisation	1	Off-gas grid buildings
	2	On-gas grid buildings
	3	Heat networks
Energy efficiency and other outcomes	4	Poor building energy efficiency
	5	Poor building energy efficiency as a driver for fuel poverty
	6	Mixed-tenure, mixed-use and historic buildings

Box 8.

- Overall LHEES Strategy sits within the context of the Heat in Buildings Strategy (HiBS) (2021).
- **The HiBS SEA** already identifies a range of environmental issues related to energy, energy efficiency, and heat decarbonisation (e.g. challenging weather, poor energy efficiency and reduced heating options (especially in rural areas) can make fuel bills unaffordable, resulting in fuel poverty. The current trajectory is a reduction in carbon emissions from buildings and so the outcomes of LHEES therefore represent an acceleration of, and coordination of action to support, the ongoing trend rather a departure.
- The HiBS SEA concludes the:
 - Draft Strategy is likely to have significant positive effects on climatic factors, air, population and human health and material assets.
 - Potential for effects in combination with other plans, programmes and strategies has also been considered – HiBS has potential to positively and cumulatively contribute across a wide range of Scottish Government policy areas within the context in which it sits.
- The SEA notes that due to the high-level nature of the draft Strategy there is an inherent degree of uncertainty regarding the environmental impacts which may arise as a result of upscaling of strategically important energy efficiency measures and heat technologies now and in the future. Furthermore, it references that the roll-out of LHEES will provide an important platform to consider both local community and wider national infrastructure issues and their associated potential environmental effects.

- However, the first iteration of the LHEES will also be high-level in nature (at the regional rather than national level), and it is unlikely to have many building-level actions, with **generic impacts of energy efficiency/heat decarbonisation measures already considered in the HiBS SEA.**

It is important to note that specific building level actions are highly unlikely to be identified by the time the SEA is required to be drafted to meet the LHEES deadline for public consultations (Dec 2023) and **submission to, and approval by, Council Committees.**

Building Level Pathways

Scottish Borders Council Delivery Plan will include actions in relation to heat & energy efficiency including suggested building level pathways to meet associated net zero and EPC targets. As noted below, any localised effects from these actions are considered to be negligible and/or already be covered under separate regulatory regimes where environmental effects can be appropriately assessed.

Heat Networks: The Scottish Borders Council LHEES will include indicative areas for Heat Networks. However, designation of heat network zones falls outside the scope of LHEES, as noted in the Scottish Government’s LHEES Guidance. The outputs from LHEES can be used to start more detailed work on consideration of heat networks through follow on work for heat network zoning as required by the Heat Networks Act. Any SEA requirements of formally designating Heat Network Zones – as required under the Heat Networks (Scotland) – will be fully considered at that time of formal designation & review.

It is important to note that as well as the formal HN zoning designation/review taking in to account any SEA requirements, HN infrastructure proposals will likely require planning permission and any associated EIA requirements will be identified at that stage, alongside the proposal being considered against the local authority’s LDP as well as the Scottish Government’s NPF4 both of which have been subject to detailed SEA.

Energy efficiency measures do not require planning permission unless potentially involving listed buildings and/or could affect conservation area status i.e. external wall insulation. It is considered that if planning permission is not required then any environmental effects are considered to be negligible. If planning permission is required, then that provides an appropriate regime under which environmental effects would be considered against the LDP and NPF4 (both of which have been subject to detailed SEA).

Heat decarbonisation technologies e.g. heat pumps. Scotland’s planning system seeks to ensure that an area’s full potential for heat from renewable sources is achieved in line with national climate targets alongside relevant environmental and community impacts. minor and uncontroversial developments are often granted Permitted Development Rights. This allows

small alterations to be carried out without the need to submit an application for planning permission. For homes, Permitted Development Rights are already granted, to some extent at least, for a range of technologies including:

- Biomass heating systems
- Ground and water source heat pumps
- Air source heat pumps

For non-domestic properties Permitted Development Rights are in place and allow in many instances for the installation of a range of low and zero emissions heating technologies, including solar panels and ground and water source heat pumps.

In terms of your response to Boxes 7 and 8 above, set out those components of the plan that are likely to require screening:

Box 9.
LHEES Strategies including Strategic Zoning.
LHEES Delivery Plans including Delivery Plan Area Zoning.

<p>Criteria for determining the likely significance of effects on the environment</p> <p>refer to paragraphs in Schedule 2 of the Environmental Assessment (Scotland) Act 2005)</p>	<p>Likely to have significant environmental effects?</p> <p>YES/NO</p>	<p>Summary of significant environmental effects (negative and positive)</p>
<p>1(a) the degree to which the PPS sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources</p>	<p>NO</p>	<p>The Local Heat and Energy Efficiency Strategy (LHEES) articulates how the Scottish Borders will deliver the decarbonisation of heat in buildings and how the council will support local planning, coordination and delivery of heat transition across the Scottish Borders.</p> <p>The LHEES will prioritise Scottish Border’s long-term plan for decarbonising heat in buildings and improving their energy efficiency across the entire local authority area.</p> <p>The LHEES:</p> <ul style="list-style-type: none"> • Provides an overview of how each segment of building stock needs to change to meet local and national objectives; • Identifies strategic heat decarbonisation zones, further identifying opportunities and measures for reducing building emissions in each zone; • Prioritise areas for delivery, against national and other local policies; • Set out the long-term decarbonisation plan framed around the LHEES considerations; • Take into consideration the Scottish Borders priorities such as reducing fuel poverty, improving resident’s wellbeing etc. <p>The majority of sites will be identified through the Strategic Zones set out in the LHEES strategy, where there will be a visualisation of the potential pathways to decarbonise the building stock within the Scottish Borders. However, within the delivery plan there will be delivery areas with higher granularity. This will provide clusters within the Strategic Zones that will be a focus area for identifying solutions at a delivery level. All these clusters will be mapped against the priorities set out by Scottish Borders to identify the final delivery areas for decarbonisation projects to occur.</p>

<p>1(b) the degree to which the PPS influences other PPS including those in a hierarchy</p>	<p>NO</p>	<p>The LHEES is the delivery mechanism for the Scottish Borders to reach their net zero target set locally and to achieve by the Emissions Reductions Targets set by the Scottish Government. As such, the LHEES has no influence on plans or strategies at a higher level but will allow the Scottish Borders to progress towards their existing commitments.</p> <p>The LHEES as mentioned before links with national policies including the Climate Change (Emissions Reductions Targets) and Heat in Buildings Strategy. The LHEES links with the local policies including the Scottish Borders Council Plan, Affordable Warmth and Home Energy Efficiency Strategy and the Local Housing Strategy. Decarbonisation projects have been prioritised according to need, deliverability, strategic fit, environmental, social and economic impact (including rurality) as determined by the Affordable Housing Project Priority Weighting Matrix (AHPPWM).</p> <p>The hierarchy of relevant strategies is as follows:</p> <ol style="list-style-type: none"> 1. Council Plan 2. Community Plan 3. Local Development Plan 4. Local Housing Strategy 5. Corporate Priorities 6. Strategic Housing Investment Plan (SHIP) 7. Strategic Local Programme Agreement (SLPA)
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<p>1(c) the relevance of the PPS for the integration of environmental considerations in particular with a view to promoting sustainable development</p>	<p>NO</p>	<p>The LHEES provides the strategy and delivery plan as to how the Scottish Borders will transition heat and improve energy efficiency. All aspects of the LHEES will promote sustainable development in the area.</p> <p>The LHEES places the principles of locally-led sustainability improvements at the heart of the development process through its requirement for high quality data, local priorities and a tailored area-based approach.</p> <p>The LHEES identifies the importance of heat transition and energy efficiency for their own sustainable development to achieve their net zero targets and also the improvements to the quality of life for residents within the Scottish Borders.</p> <p>The LHEES contains a suite of environmental policies and sustainability principles that will apply to all projects carried out as a result of the delivery plan.</p> <p>The Council's Registered Social Landlord (RSL) partners have in place design guides and sustainability policies that will help promote sustainable development.</p> <p>Sustainable development will be integral to the implementation of the LHEES, it is unlikely that there will be significant environmental effects due to the proportion of overall development within the Scottish Borders and the effects of long-term decarbonisation set out in this plan will benefit the local area.</p>
<p>1(d) environmental problems relevant to the PPS</p>	<p>NO</p>	<p>Delivery areas will be identified through the Delivery Plan, built on the Strategic Zones set out in the strategy process. When identifying delivery areas, constraints such as rurality, roads and railways, areas of biodiversity have been considered and will be considered in the LHEES to reduce environmental impacts.</p> <p>Environmental problems relevant to the LHEES are likely to be limited to short-term issues associated with construction. These are not considered as significant.</p>
<p>1(e) the relevance of the PPS for the implementation of Community legislation on the environment (for example, PPS linked to waste management or water protection)</p>	<p>NO</p>	<p>The LHEES is not directly relevant to the implementation of Community legislation on the environment.</p>

2 (a) the probability, duration, frequency and reversibility of the effects	NO	Short-term effects during construction activities will be mitigated through site management procedures.
2 (b) the cumulative nature of the effects	NO	<p>Cumulative effects from the implementation of the LHEES will be limited as the LHEES relates to existing buildings therefore the land will be adapted rather than being newly built on. Construction related to heat networks will be aligned with existing policies to minimise impacts.</p> <p>Issues associated with energy, water, and waste are addressed through a relevant policy review within the LHEES process or separate strategies such as the Waste Strategy.</p> <p>Development in regeneration areas is likely to have beneficial effects.</p>
2 (c) transboundary nature of the effects (i.e. environmental effects on other EU Member States)	NO	None.
2 (d) the risks to human health or the environment (for example, due to accidents)	NO	<p>Any risks associated with the construction phase will be addressed through Health and Safety legislation and contractual requirements placed upon those companies appointed to undertake construction works.</p> <p>This LHEES is positive to human health. Energy efficient homes and affordable warmth contribute to health and wellbeing of individuals and the community.</p>
2 (e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected)	NO	<p>The LHEES covers the entire Scottish Borders area.</p> <p>The scale of effects will differ depending on location.</p> <p>Overall, the effects will not be significant.</p>

<p>2 (f) the value and vulnerability of the area likely to be affected due to-</p> <ul style="list-style-type: none"> (i) special natural characteristics or cultural heritage; (ii) exceeded environmental quality standards or limit values; or (iii) intensive land-use. 	<p>NO</p>	<p>The majority of sites will be identified through the Delivery Plan and prioritised against environmental impacts being minimised and improvements to resident’s wellbeing with the long term goal resulting in the Scottish Borders being more sustainable and impacts on the environment being reduced.</p> <p>Sites allocated in the Delivery Plan are subject to rigorous environmental assessment.</p>
<p>2 (g) the effects on areas or landscapes which have a recognised national, Community or international protection status</p>	<p>NO</p>	<p>Sites will be identified through the Delivery Plan and all environmental concerns will be taken into consideration to minimise impacts. Rurality will be a key consideration with surrounding areas aiming to experience little environmental impact due to the focus being on existing developments.</p> <p>Sites allocated in the Delivery Plan are subject to rigorous environmental assessment.</p>

STEP 4 – CONSIDERATION OF ENVIRONMENTAL PRINCIPLES

Summary of how environmental principles have been considered:

(including an outline of how the guiding principles, as set out in section 13 of the Continuity Act, are relevant to the plan)

The environmental principles are embedded within SEA, ensuring relevant delivery plans that are subject to SEA consider how best to avoid environmental damage and if damage does occur it is addressed. As the LHEES was subject to SEA the environmental principles would have been considered within this assessment. As the new Regulations have no or minimal environmental effects in their own right it is our view the original assessment ensures the principles are embedded in the LHEES Strategy and Delivery Plan documents. A meaningful SEA can address the environmental principles and ensure the aims to; protect the environment; adopt the precautionary principle; seek to prevent environmental damage, prepare to address environmental damage are adopted into policy.

STEP 5 – STATEMENT OF THE FINDINGS OF THE SCREENING

Summary of interactions with the environment and statement of the findings of the Screening:

(Including an outline of the likely significance of any interactions, positive or negative, and explanation of conclusion of the screening exercise.)

It is our opinion that the Local Heat and Energy Efficiency Strategy will have no significant environmental effects. This opinion is based on the guidance, methodology and Scottish Borders' strategy and delivery plan which take into consideration any potential environmental effects. In addition, as every LHEES in Scotland will be subject to SEA the environmental effects from the delivery, on the ground, of these strategies and delivery plans will be captured meaningfully at a local level and steps taken to avoid, minimise or offset adverse effects and enhance positive ones can still be taken.

When completed send to: SEA.gateway@scotland.gsi.gov.uk or to the SEA Gateway, Scottish Government, Area 2H (South), Victoria Quay, Edinburgh, EH6 6QQ.

^[1] Please note: (A) The plan has to fall into Section 5(4) of the Environmental Assessment (Scotland) Act 2005 & (B) you should apply the criteria specified within Schedule 2 of this Act to reach a conclusion on no or minimal environmental effects: www.legislation.gov.uk/asp/2005/15/contents (*delete this note before submission*)