

Time to Deliver: A Regional Just Transition Plan for the North East of Scotland.

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At the end of October, the Scottish Affairs Committee published its <u>report</u> on the future of Scotland's oil and gas industry. The report acknowledges that the North Sea basin is now considered "geologically mature" and that domestic oil and gas production is expected to follow a trend of "continued decline". It recognises that this decline is already impacting workers and communities in the North East of Scotland. Nonetheless, a lack of planning and coordination to deliver a Just Transition for the communities affected by oil and gas decline has been apparent not only from this enquiry but also from previous reports by the <u>Committee on Climate Change</u> and Scotland's own <u>Just Transition Commission</u>.

The North East of Scotland stands at a crossroads. Once the oil capital of Europe, Aberdeen and its surrounding region have ambitions to become the capital of a decarbonised future. But despite the optimistic rhetoric and a £500 million <u>Just Transition Fund</u>, we still lack the one thing that could make this transformation real: a coherent, locally-led and inclusive regional Just Transition plan.

Back in 2021, the Scottish Government committed to deliver a series of co-designed plans through the Just Transition Planning Framework. Plans were stated to act as "a guiding document for public and private sector activity up to, and including, 2045". Four years later, none of the sectoral plans have been adopted. Draft plans have been published for transport, land use and agriculture, and energy – although the latter has been postponed since 2023 and is unlikely to be published before the Scottish Parliament elections. Only one place-based plan has emerged, for Grangemouth (albeit too late, as the refinery stopped operating this year). Meanwhile, the North East, home to 97% of Scotland's oil and gas employment, waits. The stakes are high: without a clear plan, we risk losing skilled workers, undermining public trust, and squandering the opportunity to lead the UK's energy and net zero transition.

Let's be clear: the current approach is failing. With the Just Transition Fund, concerns have been raised over a <u>lack of accessibility and engagement</u> with local authorities and community groups. In the first two years of operation, with more than £40 million spent, the Fund is <u>reported</u> to have created at least 110 jobs and safeguarded a further 120. At the same time, only a small share of funds goes to communities, through participatory budgeting and longer-term grants. The eligibility criteria and tight deadlines make these funds difficult to access for the public and third sector. Critically, there is no strategic framework to guide investments and funding. In the European Union Just Transition Mechanism, the funding is <u>conditional</u> upon adoption of territorial plans and a commitment to achieve climate neutrality. In other examples, such as Collie in Western Australia, <u>community-focused strategic planning</u> guides investment in the transition from coal. In the North East of Scotland we have got a fund but no strategic approach, no plan, and a fractured public debate.

Yet the solution is within reach. The region already has the ingredients for success: highly skilled workers and expertise, community and economic strategies, active community engagement, and a wealth of data and research from academia, trade unions, and industry. What's missing is coordination, accountability, and a shared vision.

Here's what we need...

1. A Locally-Led and Timely Regional Plan

As far back as the 2023 inquiry on a Just Transition in the North East and Moray, there was the expectation that following the Energy and Just Transition Strategy – a regional just transition plan would emerge for the North East. The region must lead the development of a Just Transition plan. Local authorities, industry, unions, third sector and communities should hold the mandate and resources to design and deliver this plan with the Scottish Government ensuring alignment with other spatial, sectoral and place-based plans. This does not have to be a drawn-out process – the Just Transition Commission and numerous regional stakeholders and communities have already laid the groundwork. There are successful examples of regional plans in the EU and Australia – case studies to learn from and get inspired by. Timing is urgent given a plan should have already been in place before job losses – we'd argue a plan should be designed and delivered within 12 months of inception and have cross-party support from Holyrood. Such a plan should include not only the transition of oil workers into renewables but also facilitate a wider regional transformation. We need to address not only energy supply but demand reduction, and the wealth of job opportunities in this sector in a more diverse economy.

2. A Diverse Delivery Body with a Strong Mandate

A multi-stakeholder delivery board, comprising local authorities, unions, community groups, and industry, to oversee the plan, manage funding, and ensure alignment with existing strategies and local priorities. This body must be locally-based, empowered, transparent, and accountable. Importantly, we cannot have another board representing primarily business interests. The transition impacts everyone in our region and diverse voices should be represented if a Just Transition is to be supported and achieved. A fragmented and siloed approach is one of the challenges undermining current efforts. In the North East, we can lead by example showing a cross-sectoral and multi-stakeholder collaborative approach drawing from examples such as Focus North or the Grangemouth Future Industries Board.

3. A Monitoring and Evaluation Framework

We need clear indicators to track progress, not just on emissions and jobs, but on equity, participation, health, fuel poverty and community ownership. It is not easy to measure progress towards a Just Transition meaningfully, but it has been <u>recognised</u> as crucial for accountability and implementation. As an example, the EU Just Transition Fund provides a set of indicators to <u>measure and monitor</u> the implementation of Just Transition within regions. For the North East, the Just Transition Lab's work offers a ready-made <u>foundation</u> for our region with a set of quantitative and qualitative indicators across the themes of jobs/skills, health and wellbeing, community wealth and revitalisation and participation.

4. Reform the Just Transition Fund

Despite the positive evaluation commissioned by the Scottish Government, the Fund could do better at effectively driving a Just Transition by becoming more accessible to a wider range of organisations. Clearer and more transparent criteria, a coherent plan to underpin the process, and dedicated support for public bodies and the third sector could benefit job creation, decarbonisation, and building social capital. There are examples of how this could be done. In the EU, for example, the regulations outline the scope of support available under the Fund prioritising investments in SMEs, renewables and energy storage, transport, district heating, urban regeneration, circular economy, and upskilling and reskilling of workers.

5. Meaningful Public Engagement

Deliberative democracy that builds consensus must replace tokenistic and exclusive consultations that deepen polarisation. We already have experience in this with community planning, climate assemblies, participatory budgeting, and pilot programmes, such as <u>Just Transition Communities Project</u> or the worker-led project <u>Our Power</u>. Scaling these up and embedding them into decision-making and delivery is critical for galvanising public support. This is already on the Scottish Government's <u>agenda</u>, and is in line with Just Transition principles. Securing a transition that works for all and leaves no one behind is a nice soundbite - but takes a strong commitment to an open process, difficult conversations and listening to a diversity of views combined with investment and delivery that improves communities, increases good jobs and drives innovation.

To sum up, the North East doesn't need another promise or a drawn-out process. It can't leave a Just Transition solely to market forces or vested interests. It needs a plan. One that is timely, inclusive, and rooted in the lived realities of workers, businesses and communities. We have the tools, the evidence, the know-how and the ambition. What we need now is political will. Let's stop talking about a Just Transition for the North East, and start delivering one.