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ELECTED MEMBER BRIEFING NOTE

Climate Action, Just Transition, and Community Wealth Building





About this briefing note

Climate Action, Just Transition, and Community Wealth Building (CWB) are interconnected policy approaches shaping Scotland's equitable path to net zero. With the recent introduction of the [Community Wealth Building \(Scotland\) Bill](#) in March 2025, and the [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2024](#) in November 2024, alongside ongoing national Just Transition efforts for inclusive, sustainable change, this briefing comes as a timely opportunity to provide guidance for elected members on effectively aligning these frameworks, while strengthening local commitment to climate and economic justice.

This briefing has a complementary version for local authority officers, which includes further details and guidance on implementation.

This briefing is part of the Elected Members' Briefing series, developed by the IS and its partners to keep elected members informed about critical local government issues. The series covers key local authority service priorities including children and young people, economy and finance, equality and diversity, environment, governance and skills, health and social care, and place and community.

A full [list of published briefings](#) is available, including the [Community Wealth Building Briefing](#) and the [Climate Change Briefing](#).



Definitions

Climate action: [According to the EU](#), climate action refers to efforts taken to combat climate change and its impacts. These efforts involve reducing greenhouse gas emissions (climate mitigation) and/or taking action to prepare for and adjust to both the current effects of climate change and the predicted impacts in the future (climate adaptation).

Community wealth building (CWB): is a people-centred approach to local economic development, which redirects wealth back into the local economy. Through this approach local economies are reorganised, so that wealth is not extracted and sent off to distant shareholders but is held locally and income is recirculated in local communities.

Just transition: According to the [Scottish Government](#), a just transition is both the outcome—a fairer, greener future for all—and the process undertaken in partnership with those impacted by the transition to net zero. It supports a net-zero and climate-resilient economy while delivering fairness and tackling inequality.

Objectives of the three frameworks

Climate Change (Emissions Reduction Targets) (Scotland) Act 2024

Mitigation: Reducing greenhouse gas emissions to meet the national five-yearly carbon budgets and the national 2045 target.

Adaptation: Adjusting to the impacts of climate change and deliver SNAP 3.

Acting in the most sustainable way aligned with the National Performance Framework and delivering the National Outcomes and Just Transition.

Community Wealth Building (Scotland) Bill

Developing more local and social enterprises that generate community wealth.

Maximising community benefits through procurement and commissioning, developing good enterprises, fair work and shorter supply chains.

Increasing fair work and developing local labour markets.

Growing the social, ecological, financial and economic value that local communities gain from land/property assets.

Ensuring that **flows of investment** and financial institutions work for local people, communities and business.

National Just Transition Planning Framework

Supporting citizens, communities and place in affected regions.

Jobs, skills and education.

Fair distribution of costs and benefits and addressing inequality.

Support strong, dynamic **business and economy** and high quality employment.

Adaptation and resilience in the economy.

Environmental protection and restoration, respecting planetary boundaries.

Resource efficient, **sustainable decarbonisation**, avoiding carbon 'lock-in'.

Equality and human rights implementation, addressing fuel poverty and child poverty.

Shared priorities



Maximise local economic benefits



Address inequalities and deprivation



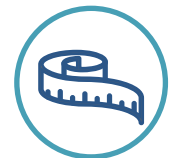
Build local green skills and fair work opportunities



Foster collaborative governance and community leadership



Empower community ownership and control



Measure success

Common topics



Building retrofits and energy efficiency



Renewable energy generation



Carbon offsets and natural capital



Community benefits and ownership



Biodiversity restoration and adaptation



Local supply chains and procurement



Low carbon transport and mobility



Sustainable land use and agriculture



Tackling fuel poverty and inequality



Fair, sustainable, jobs and green skills



What is the issue and why does it matter?

Scotland is at a critical juncture to align climate action with economic transformation and social justice. The [National Adaptation Plan 2024–2029](#) underscores the need for a just transition that not only addresses climate risks but delivers inclusive economic and social benefits.

Without a joined-up approach that integrates Climate Action, Just Transition, and Community Wealth Building (CWB), Scotland risks missing out on economic opportunities, losing jobs, and deepening inequalities, as outlined below:


- **Missed economic opportunities:** Scotland’s commitment to climate action, including ambitious targets for both mitigation and adaptation, presents significant economic opportunities. Projects in sectors such as renewable energy, sustainable transport, and nature-based solutions can drive local growth and job creation. However, without a strong CWB approach, much of the value from these investments, including jobs, supply chain contracts, and profits, could flow outside of local communities and even overseas.
- **Job losses:** The transition away from high-carbon sectors, such as the planned closure of Grangemouth Oil Refinery, threatens significant job losses without proper workforce planning and local investment.
- **Rising inequalities:** Without targeted regional support, the transition to net-zero risks deepening deprivation by limiting access to low-carbon infrastructure like public transport, EV charging, and renewables. This can raise costs and reduce opportunities, particularly in areas such as Inverclyde, North Ayrshire, and the South of Scotland—undermining human rights and the vision for a wellbeing economy.

To ensure a fair and resilient transition, Scotland can integrate climate goals with economic justice through coordinated policies that keep wealth local, support workers, and reduce inequalities. This approach is essential to delivering a sustainable and inclusive net-zero future.

Policy context

Robust policy alignment is vital for effective Community Wealth Building and a Just Transition in Scotland. These critical priorities are extensively supported by a range of national legislative acts and strategic plans, including:





Aligning climate action, just transition and community wealth building agendas

Scotland's journey to net zero offers an opportunity to strategically align climate action, Just Transition, and CWB into a cohesive local delivery model. When integrated effectively, these frameworks can ensure that climate solutions simultaneously build economic resilience, foster equity, and deliver local benefits. Below are six interlinked priorities to align these agendas across policy and practice.

1. Maximise local economic benefits

- Prioritise local procurement and supply chains to keep wealth in communities.
- Support local businesses in adapting to and benefiting from the net-zero transition.
- Develop community benefit charters to formalise commitments to local hiring and investment.
- Repurpose publicly owned land for community-led renewable energy projects.

2. Empower community ownership and control

- Expand community ownership of energy, land, and infrastructure projects.
- Ensure local retention of profits through well-managed community benefit funds.
- Align public funding streams with community ownership and climate goals.
- Connect land reform policies with CWB to empower rural and island communities.

3. Address inequalities and deprivation

- Direct green investment to areas with the greatest socioeconomic need.
- Promote spatial justice to ensure all communities share in net-zero benefits.
- Use participatory approaches to involve underrepresented and marginalised groups.
- Prioritise training and job opportunities for those in areas of high deprivation.

4. Build local green skills and fair work

- Develop training and reskilling programmes for the green economy.

- Apply Fair Work principles to ensure decent jobs and wages.
- Engage young people through initiatives like Green Skills Traineeships.

5. Foster collaborative governance and leadership

- Co-produce climate and economic strategies with communities and stakeholders.
- Build strong partnerships between councils, communities, and businesses.
- Use networks like the CWB Practitioners Network to share knowledge.

6. Measure success

- Apply shared indicators to assess social, economic, and environmental outcomes.
- Use tools like the Just Transition Measurement Framework and Scottish Climate Intelligence Service ClimateView to track fairness and progress.

Community Owned Renewable Energy



“CWB can offer a ground up approach to local renewable energy that rewrites the composition of local economies in such a way that local wealth is retained, recirculated and redistributed.

Embedding energy democracy into local energy systems is particularly important in the context of both climate and environmental crises and the current escalating cost of living.

Local authorities and anchor institutions can steward the local energy transition through the five pillars by hardwiring carbon emission reduction into local approaches.”

(Future Economy Scotland. (2024). [Transforming Scotland’s economy to deliver a just transition](#). (p18).



What does this mean for elected members?

Elected members play a crucial role in aligning Community Wealth Building, Just Transition, and Climate Action. By integrating these frameworks into local strategies, elected members can deliver co-benefits that improve the lives of residents while advancing Scotland's net-zero goals. Key actions for elected members include:

1. Champion local economic benefits from climate investment

Ensure that public climate investment is used to strengthen the local economy and create fair work.

As an elected member, you could consider:

- Are local supply chains prioritised in procurement for green projects?
- What support can be given to local businesses to allow them to bid for green projects?
- Do investment plans include clear community benefit clauses and local hiring targets?
- Can underused public assets be repurposed for climate initiatives that generate community income?

2. Promote community ownership and control

Support policies that embed community ownership of renewable energy, land, and key infrastructure to ensure lasting local value.

As an elected member, you could consider:

- Are community organisations supported to lead on local energy or land-use projects?
- Does your council promote participatory budgeting to fund community-led climate actions?
- Are you advocating for stronger provisions for community ownership in local and national legislation?

3. Ensure climate action reduces inequality

Target climate investments and services to the places and people most at risk of being left behind in the transition.

As an elected member, you could consider:

- Are climate adaptation and decarbonisation projects addressing spatial deprivation?
- Is funding being equitably distributed across rural, urban, and island communities?

4. Support green skills and fair work

Lead efforts to link climate action with fair, secure, and high-quality green employment, particularly for young people and those in transition.

As an elected member, you could consider:

- Are retraining schemes and apprenticeships integrated into green projects?
- Are Fair Work criteria applied to all climate-related procurement and grants?
- Can you support the development of green traineeship programmes in your community?
- Can you target Council recruitment and green traineeship programmes towards areas of high deprivation and socio-economic disadvantage?

5. Foster collaborative governance and participation

Create space for community voices and cross-sector partners to shape integrated climate, economic, and social outcomes.

As an elected member, you could consider:

- Is your council using participatory decision-making tools like participatory budgeting?
- Are you engaging with anchor institutions and businesses to co-develop CWB and climate goals?
- How are you helping bridge connections between climate, economy, and community priorities?

6. Promote transparent monitoring and measures

Encourage the use of shared measurement frameworks and data to monitor how climate action also delivers on CWB and Just Transition goals.

As an elected member, you could consider:

- Are your council's reporting frameworks tracking local wealth retention, job creation, and equity outcomes?
- Is your council engaging with the Scottish Climate Intelligence Service to support informed decision-making?
- Are specific tools being used to evaluate progress and measure success such as the Just Transition Measurement Framework?



Further support and contacts

To find out more, get in touch at info@improvementservice.org.uk

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