

# Sustainable Growth Agreement

Prepared by

Scottish Environment Protection Agency  
Construction Scotland Innovation Centre

## Our Joint Aspirations

The parties agree to work collaboratively to deliver the commitments set out in this Sustainable Growth Agreement. The agreement aims to enable SEPA and CSIC to explore and develop opportunities to deliver resilient, sustainable and thriving built environments, and to empower and champion construction sector innovation to help tackle and address the challenges of a changing climate.

Sustainable Growth Agreement

Between:

Scottish Environment Protection Agency ("SEPA")  
Corporate Office  
Strathallan House  
Castle Business Park  
Stirling FK9 4TZ

And

Construction Scotland Innovation Centre ("CSIC")  
Unit 3B, 3 Watt Place  
Hamilton International Technology Park  
G72 0AG

(each a "Party" and together the Parties)

1. Scottish Environment Protection Agency, a body corporate established under Section 20 of, and Schedule 6 to, the Environment Act 1995
2. Construction Scotland Innovation Centre, is an Innovation Centre, supported by Scottish Funding Council, Scottish Enterprise and Highlands and Islands Enterprise and administered through Edinburgh Napier University

CONSTRUCTION  
SCOTLAND  
INNOVATION  
CENTRE

# CSIC CEO's Foreword

The focus on creating a more resilient built environment and robust industry in a post-pandemic, Brexit world goes hand in hand with society's desire to also protect the natural world. Never before has there been such a spotlight on the built environment to make transformational change at a pace and scale we have not seen before in our lifetime.

Construction is the largest consumer of natural resources and the largest single industry contributor to waste in Scotland and generates 47% of UK carbon emissions, 80% of those are from buildings in use. To achieve our climate objectives, we must dramatically increase the scale and pace of circular and sustainable materials, products and systems innovation, decarbonise heat, unblocking procurement mechanisms as well as develop a sustainable culture based on the upskilling, multiskilling and reskilling of the industry.

We need to focus on areas where Scotland has a natural competitive advantage, and work together to unlock barriers that will allow quick mainstream adoption, accelerating the transition to net zero carbon and a vision of a better built environment

that delivers inclusive and sustainable economic, social and environmental impact allowing the sector to flourish. Without a doubt, long term success in reaching our carbon reduction aspirations for the built environment lies in working collaboratively. What we can achieve by working together is always going to be greater than working alone and is the foundation of this agreement. The two organisations are complementary in their outlook and desire for innovation to support Scotland's net zero recovery ambitions as per Scottish Government objectives.

This agreement formalises an existing relationship between SEPA and CSIC which highlights the priority of the sustainability agenda for the built environment. It will allow deeper access to expertise and knowledge that can be applied not only to innovation within new energy efficient buildings and systems but also the adaption of our existing buildings and infrastructure to deal with climate change impacts that are happening now.

Stephen Good, CEO,  
Construction  
Scotland Innovation  
Centre



# SEPA CEO's Foreword

**"Build Back Better."**

**"We need to build everything differently."**

**"Build a different future."**

And on it goes. As the world tackles the climate emergency, the nature crisis and the emergence from the pandemic, everyone is calling for societies to build differently and better. Most people are using the term "build" in its broadest sense – the ways we work, the ways we move, the ways we consume and more.

There is one sector that literally builds the future – the construction sector.

Whether it be roads, train lines, houses, flats, factories, offices, schools, hospitals and other facilities, the design, construction and operation of these assets will have a huge impact on whether we can successfully tackle the environmental crises that humanity faces. As the environmental crises such as the climate emergency are existential ones for humanity, this makes the role of the construction sector pivotal in whether our species faces a prosperous or bleak future.

This is not alarmist. It is simply what the science tells us.

The upside is that those sectors that roll up their sleeves and step up to this massive challenge are the ones that will thrive and prosper. That is exactly why this Sustainable Growth Agreement with the Construction Scotland Innovation Centre is so important to SEPA and so exciting for Scotland.

The world must build differently. We must find ways to do this quickly. The ambition set out in this Agreement shows that the CSIC is up for this challenge. We hope and expect that the work done under this Agreement will catalyse this rapid and major change. SEPA is committed to supporting this work and we are looking forward to creating successful innovation in partnership with CSIC.

Terry A'Hearn, CEO,  
Scottish  
Environment  
Protection Agency



# Construction Scotland Innovation Centre

The Construction Scotland Innovation Centre (CSIC) is core to the innovation support landscape in Scotland and recognised as a key asset within the UK wide innovation ecosystem.

In seven years, we have grown our reputation as an enabler of built environment innovation activity, helping government, clients, industry, academic and public sector stakeholders move past simply discussing change, to realising change and capturing the resultant value.

## **Our Identity**

*We are Scotland's national innovation centre for the built environment*

## **Our Vision**

*A better built environment that delivers inclusive and sustainable economic, social and environmental impact*

## **Our Purpose**

*To mainstream an innovation culture that accelerates the transition to zero carbon*

## **Our Strategy**

*Supercharge innovation that drives change and unlocks new value for Scotland*

We believe that through innovation across processes, materials, systems and skills, we can create a built environment that delivers inclusive and sustainable economic, social and environmental impact for Scotland. In other words, a better place in which current, and future, generations can work, learn, live and prosper.

Since our launch almost seven years ago, CSIC has supported over 350 innovation projects that have helped create more than 3,000 jobs and enabled businesses to unlock more than £1 billion of additional revenue for the sector in Scotland.

# Scottish Environment Protection Agency

The Scottish Environment Protection Agency is Scotland's environmental regulator and Scotland's national flood forecasting, flood warning and strategic flood risk management authority.

As a society we are over-using our planet's resources. If everyone lived as we do in Scotland, we would need three planets to sustain ourselves. In the 21st Century, and beyond, we recognise that only those businesses that operate in harmony with our one planet will thrive.



Everyday SEPA works to protect and enhance Scotland's environment helping businesses and communities to thrive within the resources of our planet. We call this [One Planet Prosperity](#).

SEPA is clear that environmental compliance is non-negotiable. Every Scottish business will comply with the law, and we are working to ensure as many as possible will go even further. Going beyond compliance is voluntary. SEPA will support Scottish businesses who recognise the environmental, economic and social benefits of embracing voluntary beyond compliance opportunities such as developing sustainable business practices or innovating across supply chains.

Sector planning is one way to foster beyond compliance ambitions and implementation from regulated businesses (e.g. through our [housing](#) and [strategic infrastructure](#) sector plan), another is through [Sustainable Growth Agreements](#).

# What are Sustainable Growth Agreements?

Sustainable Growth Agreements are voluntary, non-legally binding, formal agreements through which an organisation (or organisations) and SEPA can explore new and innovative ways of working that deliver environmental, social and economic success.

## Our Joint Vision

Through this Sustainable Growth Agreement, CSIC and SEPA agree to work collaboratively to *empower* and *champion* innovative construction industry solutions that help equip the sector with the tools to confront and address the challenges of a changing climate, and build environmental considerations into the heart of the construction sector decision-making culture.

We recognise our mutual aims to achieve a built environment that is more resilient and sustainable, creating thriving places for people to live and work - places that are living and breathing examples of inclusive growth.



# Our Joint Vision

We want to support the construction sector to:

1. build sustainable business practices and achieve a circular economy throughout the construction and operational lifecycle and supply chain.
2. identify innovative opportunities to go beyond compliance with benefit for business, communities and the environment.
3. achieve net zero carbon in the built environment and help build sustainable and climate resilient places.



We believe that our collaboration will help Scotland achieve the following outcomes:

- Developing economic and social opportunity in harmony with natural systems
- Making our communities more resilient to a changing climate





# How will we achieve this?

The collaboration between CSIC and SEPA will focus on three key areas.

## The Journey to Net Zero

We will support the construction industry's journey to net zero carbon. This includes developing and promoting a circular economy of materials and structures, as well as sustainable and innovative construction methods and materials.

## Resilience in the built environment

We will promote resilience to climate change in the built environment using our expertise and connections to add value to and compliment place-making initiatives that our organisations are involved in.

## Investment in green infrastructure

We will drive investment opportunities in green infrastructure which create multiple benefits, seeking, for example, innovative ways to incentivise both public and private investment.



# How will we achieve this?

We will do this by:

- Connecting people and building relationships, bringing the right people together at the right time.
- Championing construction industry leaders and innovators.
- Empowering and showcasing construction industry innovation (from inception to commercialisation), for example, through demonstration sites, pilots and the use of CSIC's innovation factory to demonstrate best practice.
- Identifying opportunity to add value to and/or join up initiatives.
- Sharing expertise for example, in innovation funding and green finance.

The pace and scale of this transition will require significant upskilling, multiskilling and reskilling the industry to meet these new zero carbon targets. Our approach would adopt a range of methodologies including face to face training, practical activities, blended learning, events and workshops, webinars, toolkits, coaching and mentoring to deliver skills enhancement at all levels within the industry from leadership development to practical delivery skills for those looking to transition into the delivery of low carbon solutions.



# Working practice

This Sustainable Growth Agreement sets out a range of activities to help achieve the shared aims of SEPA and CSIC. These activities and any developed in the future will be prioritised alongside other opportunities as they arise in order to achieve the best possible outcomes.

1. All applicable laws continue to apply to CSIC and nothing in this Sustainable Growth Agreement is intended to, or shall be deemed to:

a. establish any partnership or joint venture between the Parties, constitute any Party as the agent of the other Party, nor authorise any of the Parties to make or enter into any commitments for or on behalf of the other Party: and

b. adversely affect or prejudice the ability of SEPA to act in its capacity as a regulator.

2. The Parties have agreed that this Sustainable Growth Agreement will remain in place for three years from the date of signing this Sustainable Growth Agreement.

3. This Sustainable Growth Agreement is not legally binding and creates no legal rights or legal obligations between the Parties. Both Parties are accountable and responsible for honouring their commitments in this Agreement.

4. This Agreement will be made available to the public by both Parties (e.g. on SEPA and CSIC websites).

5. CSIC and SEPA agree to review and document progress on a six monthly basis and report this to the SEPA and CSIC Chief Executives.

6. Opportunities to promote the Sustainable Growth Agreement and its outcomes will be included in the six-monthly reporting to SEPA and CSIC Chief Executives.

7. There will be an Annual Review and joint Digital Annual Report prepared by the SEPA and CSIC Chief Executives to assess progress against the commitments set out in this Sustainable Growth Agreement and to assess success.

# Working practice

8. The Annual Review and joint Digital Annual Report can also identify areas of focus for the following year, possible amendments to the Sustainable Growth Agreement and opportunities to promote the Sustainable Growth Agreement.

9. The joint Digital Annual Report on this Sustainable Growth Agreement will be presented to the SEPA and CSIC Boards and made available to the public.

10. Both parties reserve the right to withdraw from this Sustainable Growth Agreement if they believe it is no longer effectively promoting their aspirations.

11. If a Party is considering withdrawing they will notify the Chief Executive/Chair of the other Party of their intention. Both Parties agree to work together to seek a resolution wherever possible.



# Signatures

Signed for on behalf of SEPA

Signed for on behalf of CSIC

CEO, SEPA

CEO, CSIC

Further information

Further information

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Agency

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please contact SEPA by email to [equalities@sepa.org.uk](mailto:equalities@sepa.org.uk)

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gives you access to an online interpreter enabling you to communicate with us  
using sign language: [contactscotland-bsl.org](http://contactscotland-bsl.org)

# Sustainable Growth Agreement

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