

REPORT TO SUSTAINABILITY COMMITTEE – 25 AUGUST 2021

ROAD MAP TO 2030

1 Reason for Report/Summary

- 1.1 This report presents a project outline for developing a Road Map to 2030 which will consist of a costed Carbon Budget, meeting the target of 75% reduction in carbon dioxide equivalent (CO₂e) emissions by 31 March 2031.

2 Recommendations

The Committee is recommended to:

- 2.1 Consider and comment on the proposed project outline for the development of a Road Map to 2030 (Appendix 1); and**
- 2.2 Note that a report will be submitted to Infrastructure Services Committee seeking approval of a supplementary procurement plan for the procurement of a consultant to support the development of a Road Map to 2030.**

3 Purpose and Decision-Making Route

- 3.1 The [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) sets national emissions reduction targets as:
- At least 75% lower than the baseline year by 2030;
 - At least 90% lower than the baseline year by 2040; and
 - Net Zero by 2045 ('Net Zero' refers to achieving an overall balance between emissions produced and emissions taken out of the atmosphere).
- 3.2 On 18 March 2020 Aberdeenshire Council agreed a Climate Change Declaration ([item 9](#)), committing to working towards a carbon free society by reducing its own emissions by 75% (2010/11 baseline) by 2030 and to work with others across the region to ensure that Aberdeenshire reaches Net Zero by 2045.
- 3.3 On 24 June 2021, Aberdeenshire Council agreed a one-off allocation of £100,000 to support the next phase of developing the Carbon Budget setting process ([item 10](#) – will be reflected in the minutes from this meeting). A new revised process will look to support the Council in developing a methodology which costs out a Road Map to 2030 and fully integrates the Carbon Budget with the financial budgets.

4 Discussion

- 4.1 Aberdeenshire Council's first Carbon Budget was set on 9 February 2017. Each year the process has been developed further and it has also become

more embedded within services. However, the Carbon Budget has never been fully integrated into the financial budgets and this piece of work is required if the Council is to fully understand the financial impact of reaching a 75% reduction in emissions by 2030.

- 4.2 There is now a desire to advance the Carbon Budget setting methodology to produce a firm budget (both carbon and financial) for 1 April 2022 to 31 March 2027 with an indicative budget taking us up to 31 March 2031 which would bring us to the target of a 75% reduction in CO₂e. Most of the actions will need to be identified for these savings at least to the level of detail required for inclusion in the indicative budgets.
- 4.3 In order to advance the Carbon Budget to this level a consultant will be required to support officers to develop a toolkit. The methodology used within the toolkit will allow for costs per tonne of CO₂e saved for all the significant measures to be identified. Transparency in the methodology will allow officers to update the toolkit annually, as required, to ensure the Council is making assumptions based on the latest data available for costs and savings (both carbon and financial).
- 4.4 A draft project outline can be found in **Appendix 1**.

5 Council Priorities, Implications and Risk

- 5.1 This report supports the embedding of the key principle of 'climate and sustainability' in the new Strategic Priorities of Aberdeenshire Council.
- 5.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing			X
Equalities and Fairer Duty Scotland			X
Children and Young People's Rights and Wellbeing			X
Climate Change and Sustainability			X
Health and Wellbeing			X
Town Centre First			X

- 5.3 At this particular stage there are limited direct impacts of approving the recommendations in this report however there would be risks and implications as a result of the final outcomes within the Road Map to 2030. These will need to be considered when it goes to Aberdeenshire Council budget setting meeting (currently set for 10 February 2022 but this may be moved into March 2022).
- 5.4 The financial implications in reaching carbon emission reduction targets are potentially significant and will need to be addressed on an individual project basis and identified for the organisation as a whole so that they can inform the

Council's Medium-Term Financial Strategy to ensure affordability and also across the Council's corporate and informed approach.

- 5.5 Working towards the Council's targets would include a general evolution of staff roles to incorporate consideration of relevant additional issues. There would also be potential for roles to be developed to support significant projects. These changes would be assessed by Services and Directorates.
- 5.6 An integrated impact assessment (IIA) is not required at this stage because the recommendations in this report are to consider a proposed project outline to support the development of a Road Map to 2030. An IIA will be developed alongside the Road Map to 2030 as there will likely be impacts needing to be considered when the Road Map 2030 is presented to Aberdeenshire Council at the budget setting meeting (currently set for 10 February 2022 but this may be moved into March 2022).
- 5.7 The following specific Risks have been identified as relevant to this matter on a Corporate Level, however it is acknowledged that working towards a 75% reduction in Council owned emissions has the potential to impact upon any number of areas across the Council risk portfolio.
- Risk ID ACORP010 as it relates to environmental challenges and Risk ID ACORP006 as it relates to reputation management within the Corporate Risk Register.

The following Risks have been identified as relevant to this matter on a Strategic Level:

- Risk ID ISSR004 as it relates to Climate Change in the Directorate Risk Registers.

6 Scheme of Governance

- 6.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this Report and their comments are incorporated within the Report. They are satisfied that the Report complies with the Scheme of Governance and relevant legislation.
- 6.2 The Committee is able to consider and take a decision on this item in terms of Section S paragraph 1.1 (a) of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to monitoring the Council's work in respect of sustainable development and climate change.

Alan Wood
Director of Infrastructure Services

Report prepared by Claudia Cowie, Team Leader Sustainability and Climate Change
Date 30 July 2021

List of Appendices

Appendix 1 - Draft Project Outline for Road Map to 2030

Appendix 1

Draft Project Outline for Road Map to 2030

1. Project Details

It is proposed that the funding of £100,000 will be utilised for the procurement of a consultancy to support and up-skill officers in Aberdeenshire Council with its Road Map to 2030 development. This will include:

- Advancement of the Carbon Budget setting methodology to produce a firm budget (both carbon and financial) for 01 April 2022 to 31 March 2027 with an indicative budget taking Aberdeenshire Council up to 31 March 2031 which would bring the Council to its target of a 75% reduction in carbon dioxide equivalent (CO₂e) emissions.
- Most actions will need to be identified for these savings at least to the level of detail required for inclusion in the indicative budgets.
- Implications of all the work needed to be carried out to reach a 75% reduction in CO₂e would need to be reflected in both the revenue and capital budgets ensuring that the various budgets form a coherent whole.
- Development of a toolkit that shows the method used for cost per tonne saved for all the significant measures included.
- Transparency in the methodology for the toolkit so that officers and elected members understand how each action required to reduce emissions has been calculated and what assumptions have been made (e.g., future costs, emission factor changes, availability of materials).
- A workshop on the methodology of the toolkit provided for key officers involved in its future use ensuring skills for updating the toolkit annually as required have been developed in-house.
- Determine scope and boundaries for the emission reductions the Council is working towards. It will initially focus on emissions the Council currently report on, but it should not be limited to this. Wider scope 3 emissions could be included in the future so the toolkit must make this possible too.
- Integrate work already taking place across other services – e.g., work being done by current Carbon Leads in each Directorate, fleet strategy development, Aberdeenshire Council Net Zero Strategy Decarbonisation assessment for Council operational buildings (this study was undertaken by consultants from Arcadis with findings currently in draft and will be reported to Sustainability Committee in future).
- Needs to ensure that projects identified are realistic from a procurement and supply chain perspective to safeguard deliverability.
- The toolkit created must become the property of Aberdeenshire Council so that choices surrounding its future use belong to the Council.

The above proposed work may also help to identify the short-term and long-term resources the Council will require in order for Aberdeenshire to become a Net Zero region by 2045. Opportunities for joining up national and local priorities and potentially beginning to identify projects ready for future funding calls may also be a benefit of this work.

2. Project team/Governance Structure

Project Lead & Support

- Team Leader Sustainability and Climate Change
 - Carbon Budget Leads for each Directorate

Project Oversight

- HoS Planning and Economy

Internal Council Support

- This is a Council wide project and therefore officers from many services across the Council will need to be engaged and support the Road Map 2030. This will include those Services already involved in the current Carbon Budget and Public Bodies Climate Change Duties Reporting. In addition, support from finance to ensure that assumptions being made are appropriate.

External Consultancy Support

- The work outlined under Project Details will be procured for a consultancy to develop. The consultancy that is awarded the tender will work closely with the Project Lead and officers from different services when required.

Other External Support

- Support from other external bodies, for example, Sustainable Scotland Network may also be utilised to ensure assumptions are inline with reporting requirements.

Governance

Frequent updates to the Project Lead from the external consultants will be required to provide guidance and monitor development. The Project Lead and Project Oversight will meet as required to mentor and review progress. Meetings will be organised between the Project Lead and other services (and when required include external consultants) at key stages within the development of the Road Map 2030 to provide updates, guidance, and monitor progress.

In addition, the Strategic Leadership Team (SLT) will be briefed on progress with updates throughout the development. Elected members on the Sustainability Committee will be provided an update at future meetings (10 November 2021 and/or 16 February 2022).

The final draft output of the project will be presented to Full Council at the Budget setting meeting which is currently set for 10 February 2022 however this date may change.

3. Project Timeline/Risk Register

Stage	Dates	Risks and Mitigation
Approval of Procurement Business Case at ISC	30/09/2021	<u>Risk:</u> Business Case not approved <u>Mitigation:</u> Work to be done amongst officers involved to ensure a robust Procurement Business Case is delivered to ISC on time.
Issue of tender	Week commencing (w/c) 04/10/2021	<u>Risk:</u> Delays in the approvals and procurement process. <u>Mitigation:</u> Notice will be given to those officers involved to ensure time is made available for this process.
Evaluation of tenders and award of contract	w/c 25/10/2021	<u>Risk:</u> Delays in evaluating tenders and awarding of contract due to other staff commitments. <u>Mitigation:</u> Plenty of notice will be given to those officers involved to ensure time is made available for this process.
Start of project	w/c 08/11/2021	<u>Risk:</u> Project start may be delayed due to other commitments of the consultant. <u>Mitigation:</u> Work can be done on essential data gathering, agreements, stakeholder inputs etc. in advance of start if needed.
Completion of toolkit and draft carbon budgets	w/c 24/01/2022	<u>Risk:</u> Challenges with data, assumptions, reflecting changes in both revenue and capital budgets, finding enough projects to reach 75% reduction without offsetting etc. Other work commitments of officers. <u>Mitigation:</u> Regular updates with consultants to allow proper collaboration to identify challenges and current work streams. Project lead will provide guidance and monitor development closely and coordinate all Officer's engagement as and when needed.
Draft report of findings produced	w/c 31/01/2022	<u>Risk:</u> Delays from any of the above stages. <u>Mitigation:</u> Regular updates with consultants to allow proper collaboration to identify challenges and current work streams.

Workshop on Toolkit	w/c 31/01/2022	<p><u>Risk:</u> Previous delays in the project mean a workshop may also be delayed. Finding a date suitable for all to attend.</p> <p><u>Mitigation:</u> Management to support the time needed by officers to attend the workshop. Regular updates with consultants to allow proper collaboration to identify challenges and current work streams. A date will be agreed as soon as possible into the project.</p>
Final report, toolkit and carbon budgets produced after Budget Setting Meeting	w/c - Potentially 14/02/2022 but could be a date in March 2022.	<p><u>Risk:</u> Delays from any of the above stages. Challenges with any feedback, meeting targets, unexpected impacts.</p> <p><u>Mitigation:</u> Regular updates with consultants to allow proper collaboration to identify challenges and current work streams. Work on IIA alongside the development of the Road Map to pick up on any significant impacts as soon as possible.</p>