

## **Midlothian Council Statutory Report to Scottish Ministers on Public Bodies Climate Change Duties 2022/23**

Report by Chief Officer Place

### **Report for Noting**

#### **1 Recommendations**

- 1.1 It is recommended that Performance Review and Scrutiny note:
- (a) the Council's Report on Compliance with the Public Bodies Climate Change Duties for 2022/23 submitted and approved at Council; and
  - (b) note the submission of the report to Scottish Ministers by 30th November 2023.

#### **2 Purpose of Report/Executive Summary**

- 2.1 The purpose of this report is to inform Cabinet of the Council's statement of compliance with its statutory climate change reporting duties for 2022/23, a copy of which is available in the CMIS Member's Library, and to recommend its submission to Scottish Government by the due date of 30 November 2023.

**Date: 14 October 2023**

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### **3 Background**

- 3.1 Since 2007, all Scottish local authorities have been signatories to Scotland's Climate Change Declaration; publicly committing themselves to reducing greenhouse gas emissions and taking steps to adapt to climate change impacts.
- 3.2 The Climate Change (Scotland) Act 2009 set economy-wide (not organisational) emissions reduction targets. It introduced a statutory requirement for public bodies to undertake 'climate change duties' and to operate in the way best calculated to contribute to delivering these targets and to help meet any Scottish programme for adapting to the impacts of a changing climate. The Scottish Government voted in 2019 to strengthen the Act's targets for cutting greenhouse gas emissions. It now requires a 75% cut in emissions by 2030 (compared to a 1990 baseline) and it set a net-zero emissions target for 2045. In 2019, Midlothian Council adopted a target of reaching net zero by 2030.
- 3.3 The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, as updated by the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020, requires local authorities and other major public bodies to report to Scottish Ministers each year on what they have done to comply with the above duties, the focus being estate and operational activity. Local authorities must submit reports by the end of November in respect of the preceding financial year.
- 3.4 The format of the report is prescribed by legislation and administration is managed by the Sustainable Scotland Network (SSN). A copy of the Council's proposed submission is available in the CMIS Member's Library. This has been adapted from the exact proposed template return to SSN due to that spreadsheet pro-forma not being conveniently presentable for discussion at this Cabinet meeting. The version in the CMIS Member's Library is nevertheless an accurate representation of both the substance and spirit of the proposed return.
- 3.5 The sections of the report entitled 'Recommended Reporting: Reporting on Wider Influence' and 'Other Notable Reporting Activity' are non-statutory and often relate to activity and emissions beyond the Council's estate and operational activities (i.e. by others but able to be influenced by the Council).

### **4 Summary of the Statutory Report to Scottish Ministers on Public Bodies Climate Change Duties 2022/23**

- 4.1 This section provides a summary of the key findings of the Statutory Report to Scottish Ministers on Public Bodies Climate Change Duties (PBCCD) 2022/23, hereafter referred to as the 'submission'.

## **STATUTORILY REQUIRED SECTION**

### **PART 1: PROFILE OF REPORTING BODY**

- 4.2 During the report year, the Council employed 4,053 full-time equivalent staff and its revised budget was £268,000,000.
- 4.3 According to the latest (mid-2021 based) population estimates from National Records of Scotland (NRS), Midlothian Council provided local authority services to a population of 94,680. This was an increase of 1.6% on the mid-2020 estimate; the joint-highest percentage increase of all Scottish local authorities over the period. NRS project that the population of Midlothian will grow to 107,000 by 2031 (an increase of 13.5%). This compares to an equivalent Scotland-wide figure of 1.4%. These figures are indicative of the scale of growth locally and the attendant challenges and opportunities faced by the Council in addressing climate change. Since the production of the last NRS estimate, the Midlothian population has risen to around 98,600.

### **PART 2: GOVERNANCE, MANAGEMENT AND STRATEGY**

- 4.4 Political leadership for the Council's climate change work lies with a Cabinet of Elected Members drawn from the political administration. Council management and staff follow their direction in relation to climate change mitigation and adaptation. The Council's emergency motion of December 2019 declared a climate emergency and set the goal of making the Council's activities net zero carbon by 2030 and is a primary driver for the response and how this is governed.
- 4.5 The motion led to the creation of the Council's Climate Change Strategy and a 'Climate Emergency Group' to focus collective effort on meeting the commitments of the motion across Midlothian and within the Council. This is composed of representatives of the Council, industry, community groups and non-departmental bodies of the Scottish Government. Its work has led to several outcomes related to climate change forming part of the Single Midlothian Plan. The Plan in turn requires the Service Plans of Council departments to have regard to its aims, therefore service managers must take its commitments for carbon emissions into account when organising their activities.
- 4.6 Other means by which strategic matters such as climate change are governed by the Council are:
- The Business Transformation Steering Group (BTSG);
  - The Council's Business Transformation Board; and
  - The Corporate Management Team.
- 4.7 The Council's Internal Auditors and Audit Committee also help steer Midlothian Council's climate change governance. The Audit Committee provides independent review of the Council's governance, risk management and control frameworks and internal auditors have reported twice on climate change work, once in 2017/18 and again in

2021/22. Internal Audit have also reported on energy and water consumption in 2022/23. These reports have been fed back to the Audit Committee and to senior management.

- 4.8 While emissions reduction is a Council-wide priority, services in the Place Directorate perform many of these actions, including:
- From Planning, Sustainable Growth and Investment – drafting the Council's latest Climate Change Strategy and compiling information provided by other services to complete the annual PBCCD submission;
  - From Property & Facilities Management – monitoring power/fuel use to track the emissions from the Council's estate, and taking forward emissions reductions projects (including with the Council's Energy Services Company, Midlothian Energy Ltd);
  - From Neighbourhood Services – replacing street lights with low-energy LEDs and managing emissions from the Council's vehicle fleet;
  - From Building Services - delivering the Energy Efficiency Standard for Social Housing and implementing the Local Authority Carbon Management Plan.
- 4.9 In the submission, Councils must identify specific climate change mitigation and adaptation objectives in its corporate plans. Those listed include:
- The Climate Emergency Declaration of December 2019 and the Climate Change Strategy that was created in response to it;
  - The Single Midlothian Plan 2023-27, which has three intended outcomes for the next four years, one of which is 'significant progress is made towards net zero carbon emissions by 2030'; and
  - The Midlothian Council Transformation Blueprint, which is designed in line with the Single Midlothian Plan and is supported by the Council's Service Plans, both of which aim to reduce the emissions from the Council's activities.
- 4.10 The submission requires the identification of other corporate documents and strategies that cover more specific areas of climate change work, such as adaptation, energy efficiency, transport and biodiversity. Those referred to include the Economic Growth Strategy 2020 – 2025, the Midlothian Local Development Plan and the Council's Procurement Strategy.

### **PART 3: EMISSIONS, TARGETS & PROJECTS**

- 4.11 Estate/operational emissions for the purposes of the submission are those arising from the use of mains electricity, mains (i.e. natural) gas, mains water, heating and fuel oils, diesel and petrol. These are detailed in tables 3a and 3b using data supplied by the Council's Property & Facilities Management Service (see section 5 of this report regarding future risks in this area). Emissions in these tables are broken down into the following components:

- 'Scope 1' emissions are those arising from the direct use (burning) of primary fuels by the Council;
  - 'Scope 2' emissions are from electricity use; and
  - 'Scope 3' emissions are those resulting from electricity losses in the power network, water supply & treatment and those from homeworking employees.
- 4.12 Table 3a shows that total emissions for 2022/23 are 16,974 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Though it should be viewed in light of the important caveat explained below, this is an increase of 3.3% over the figure of 16,433 in 2021/22. The table also shows that there were only minor changes in the Council's scope 1 and scope 2 emissions between those years. Scope 3 emissions on the other hand increased from 991tCO<sub>2</sub>e to 1,790tCO<sub>2</sub>e. This is due to a change in the methodology used in the reporting template provided by SSN for calculating emissions from homeworking employees so that this figure can be more accurately estimated than it has been previously.
- 4.13 Table 3b also reveals that year-on-year:
- Electricity consumption in Council buildings increased by 11%;
  - Electricity consumption from street lighting was stagnant;
  - Natural gas consumption used to heat the Council's building estate decreased slightly, by 1.5%;
  - Fuel consumed by the Council's fleet of vehicles increased by 1%; and
  - Emissions from journeys from staff using their vehicles for work purposes (i.e. arising via business mileage claims) fell by 5%.
- 4.14 The effect on the Council's emissions of the increase in electricity consumption was partially offset by the reduction in carbon intensity of grid electricity. A further 110,000kWh of electricity consumption was avoided by the generation of this amount by the solar photovoltaic systems installed on the Council's estate. This avoided the release of 21tCO<sub>2</sub>e.
- 4.15 It is important to consider the Council's emissions in the context of demographic trends. In 2014/15 for example, its carbon footprint was 23,500tCO<sub>2</sub>e and Midlothian's population was 86,500. The respective figures for 2022/23 were 16,974tCO<sub>2</sub>e and 98,620. This means that the carbon efficiency with which it has delivered its services over this time has improved dramatically, from 0.27tCO<sub>2</sub>e annually per resident to 0.17tCO<sub>2</sub>e – an improvement of 37%.
- 4.16 Another way of expressing the Council's carbon footprint would be to relate it to the size of its workforce. In 2014/15 this was 3,350 staff, compared to around 4,050 in 2022/23. This means that the carbon footprint of its staff has reduced from 7.02tCO<sub>2</sub>e per employee per year to 4.19tCO<sub>2</sub>e per employee per year at present.

## **PART 4: ADAPTATION**

- 4.17 This part of the submission sets out how the Council has assessed climate-related risks, arrangements for managing them and adaptation actions. It references the Council's Strategic Risk Profile and work done by the Council's Internal Audit staff. Also referred to is the Forth Estuary Local Flood Risk Management Plan which assists in managing and adapting to such risks alongside internal Council plans which include the Winter Service Policy and Operational Plan and the Severe Weather Plan. The Council's overall approach in the area of risk and accountability for it is outlined in its Risk Management Policy and Strategy.
- 4.18 Part 4 of the submission also requires public bodies to demonstrate progress in delivering the goals of the Scottish Climate Change Adaptation Programme. The response on this topic highlights work in several areas: flood risk management, work to improve the energy efficiency of the Council's building stock and outdoor learning in nature.

## **PART 5: PROCUREMENT**

- 4.19 The final mandatory part of the submission (other than validation and sign off information) sets out how procurement policies and activities contribute to compliance with climate change duties. It notes that environmental matters are addressed prominently within the Council's Procurement Strategy. It has five strategic themes to promote ethical standards, including staff in this area working to secure environmental benefits. In practical terms this may involve considering sustainability factors where appropriate in supplier selection and tender evaluation, and taking a whole lifecycle approach to costs.

## **RECOMMENDED REPORTING (NON-STATUTORY) PARTS**

- 4.20 Table 1a of this part of the submission shows that Midlothian's per capita level of greenhouse gas emissions (those considered by the UK Government to be at least influenced by the Council) have reduced from 6.22tCO<sub>2</sub>e in 2010 to 3.99tCO<sub>2</sub>e in 2021 (the latest year for which an official figure is available). This equates to a reduction of 36%. The table also shows that the Midlothian's total emissions have fallen from 511,900tCO<sub>2</sub>e in 2010 to 377,360tCO<sub>2</sub>e in 2021. Most sectors have seen substantial falls over this timescale. Reductions in emissions from transport however, one of the largest contributors, have been modest<sup>1</sup>.
- 4.21 Under 'Other Notable Reporting Activity', table Q5 sets out climate change actions that are not readily amenable for inclusion elsewhere within the submission. Examples provided include work to improve

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<sup>1</sup> Transport emissions were substantially lower in 2020, but this was likely due to reduced journeys over the periods of Covid lockdowns.

biodiversity, investment in energy efficiency and renewable energy projects, use of the Council loan funding for projects that have a climate change element to them and measures to promote active travel.

## **5 Report Implications (Resource, Digital, Risk and Equalities)**

### **Resource**

- 5.1 Previous reporting to management noted that the Council's services were not adequately resourced to fulfil the requirements of the Climate Change (Scotland) Act. This was highlighted by an Internal Audit report in 2018. A follow-up in 2022 came to similar conclusions and noted the importance of agreeing the Terms of Reference and membership of a 'Carbon Neutral by 2030 Board' as soon as possible. The resourcing of this group and the cascading of information from it is integral to future PBCCD submissions.
- 5.2 Similarly, the full completion of other portions of the pro-forma relies on the collaboration of managers and staff across the Council's services to support the work of the proposed Board and to ensure compliance with our statutory duties and avoid the risks noted below.

### **Digital**

- 5.3 None.

### **Risk**

- 5.4 The Officer within the Property & Facilities Management Service who provided the data for Part 3 (Emissions, Targets and Projects) departed their post in July 2023. Only that Service have access to this information and control of the factors that influence it. Without it the Council will not be able to produce its 2023/24 PBCCD and will therefore be non-compliant with the Climate Change (Duties of Public Bodies; Reporting Requirements) (Scotland) Order 2015. An Internal Audit report from early 2023 noted the key person dependency risk associated with the post.
- 5.5 Under the Climate Change (Scotland) Act, Scottish Ministers may instruct investigations into PBCCD reports. Critical scrutiny in this area has already come from the local and national press, and Audit Scotland.
- 5.6 Though the content of the reporting template has remained largely similar over the last few years, expectations for what is included increased substantially prior to that. Alterations in what is required in future returns may expose any deficiencies in resourcing of climate change work within the Council.

## **Ensuring Equalities**

- 5.7 Not applicable.

## **Additional Report Implications**

- 5.8 For additional report implications see Appendix A.

## **Appendices**

Appendix A – Additional Report Implications

Appendix B – Background Papers/Resource Links

## **APPENDIX A – Additional Report Implications**

### **A.1 Key Priorities within the Single Midlothian Plan**

Midlothian Council and its Community Planning Partners have made a commitment to addressing climate change a key priority under the Single Midlothian Plan. This report will assist in reporting on progress towards this goal.

### **A.2 Key Drivers for Change**

Key drivers addressed in this report:

- ☐ Holistic Working
- ☐ Hub and Spoke
- ☐ Modern
- ☒ Sustainable
- ☐ Transformational
- ☒ Preventative
- ☐ Asset-based
- ☒ Continuous Improvement
- ☐ One size fits all
- ☐ None of the above

### **A.3 Key Delivery Streams**

Key delivery streams addressed in this report:

- ☒ One Council Working with you, for you
- ☒ Preventative and Sustainable
- ☐ Efficient and Modern
- ☐ Innovative and Ambitious
- ☐ None of the above



#### **A.4 Delivering Best Value**

The PBCCD submission has been expanded in recent years to provide a more thorough account of activities that the Council has been doing in relation to climate change. This has been done partly through the use of information within existing department Service Plans and Performance Reports, ensuring that this expansion in the content of the submissions has been done in a manner which is as efficient as possible for staff. It has not involved the use of additional financial or equipment resources.

#### **A.5 Involving Communities and Other Stakeholders**

Not applicable – producing the PBCCD submission is an internal Council process.

#### **A.6 Impact on Performance and Outcomes**

The submission of the report will demonstrate compliance with climate change legislation. The comprehensive nature of the submission demonstrates transparency and a commitment to go beyond the minimum requirements in this regard.

#### **A.7 Adopting a Preventative Approach**

The timely and thorough completion of the PBCCD submission reduces the likelihood of legal challenge or investigations into the Council regarding non-compliance with the requirements of climate change legislation. The participation of Council staff in making future submissions as comprehensive as possible is necessary in maintaining this position.

#### **A.8 Supporting Sustainable Development**

This report only concerns sustainable development in that it reports on what the Council is doing to promote it.

### **APPENDIX B – Background Papers/Resource Links**

Midlothian Council Statutory Report to Scottish Ministers on Public Bodies Climate Change Duties 2022/23