

Midlothian Council Statutory Report to Scottish Ministers on Public Bodies Climate Change Duties 2021/22

Report by Chief Officer Place

Report for Decision

1 Recommendations

1.1 It is recommended that Cabinet:

- (a) approves the Council's Report on Compliance with the Public Bodies Climate Change Duties for 2021/22; and
- (b) agrees to the submission of the report to Scottish Ministers by 30 November 2022.

2 Purpose of Report

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 2021/22, 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 2022.

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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 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 its 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 2021/22

- 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) 2021/22, hereafter referred to as the 'submission'.

STATUTORILY REQUIRED SECTION

PART 1: PROFILE OF REPORTING BODY

- 4.2 During the report year, the Council employed 4,032 full-time equivalent staff and its revised budget was £241,130,000.
- 4.3 According to the latest (mid-2021) estimates from National Records of Scotland (NRS), Midlothian Council provided services to 94,680 people. This was an increase of 1.6% on the mid-2020 estimate; the highest percentage increase of all Scottish local authorities over the period. Between now and 2031, NRS project that the population of Midlothian will grow by 13.5% compared to an equivalent Scotland-wide figure of 1.4%. This indicates the scale of growth locally and the attendant challenges and opportunities faced by the Council in addressing climate change.

PART 2: GOVERNANCE, MANAGEMENT AND STRATEGY

- 4.4 Political leadership in respect of climate change lies with a Cabinet of Elected Members drawn from the political administration. Council management and staff follow their directions. The Council's climate emergency motion of December 2019 is a primary driver for the response and how this is governed.
- 4.5 It led to the creation of the 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 The Council's Climate Emergency Motion of 2019 also led to the drafting of a new Climate Change Strategy and influenced the content of Midlothian's Covid-19 Route Map & Recovery Plan. A result of this is that the previous governance arrangements within the Council for climate change matters are set to be superseded by the introduction of a new Carbon Neutral by 2030 Board to fulfil the actions in the Strategy. It is intended that the Board will meet monthly, report to the Council's Business Transformation Board (chaired by the Chief Executive) and will comprise senior and service-level management from a range of teams that have a particular role in reducing the Council's carbon footprint.
- 4.7 While emissions reduction is a Council-wide priority, much of this activity is embedded within services in the Place Directorate, including:
- From Planning, Sustainable Growth and Investment – drafting the Council's new Climate Change Strategy and completing the annual PBCCD submission;

- From Property & Facilities – monitoring power/fuel use and take forward emissions reductions projects, including as part of the Council's Energy Services Company, Midlothian Energy Ltd;
 - From Neighbourhood Services – replacing street lights with low-energy LEDs and promoting sustainable and active travel; and
 - From Building Services - delivering the Energy Efficiency Standard for Social Housing (Passivhaus standard) and implementing the Local Authority Carbon Management Plan.
- 4.8 In the submission, Councils must identify specific climate change mitigation and adaptation objectives in its corporate plans. Those listed are:
- The Climate Emergency Declaration of December 2019 and the new Climate Change Strategy that was created in response to it;
 - The Single Midlothian Plan 2022/23, which aligns with the goal of the Declaration and has three overall priorities, one of which is 'significant progress is made towards net zero carbon emissions by 2030';
 - The Council's Capital Investment Strategy, as it includes objectives to promote low and zero-carbon technologies; and
 - Midlothian's Covid-19 Route Map & Recovery Plan, which promotes less carbon intensive work practices including 'digital by default'.
- 4.9 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 Midlothian Active Travel Strategy, the Midlothian Local Development Plan and The Council's Procurement Strategy.

PART 3: EMISSIONS, TARGETS & PROJECTS

- 4.10 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. Table 3a of the submission shows that estate/operational emissions for 2021/22 were estimated to be 16,245 tonnes of carbon dioxide equivalent (tCO₂e). The table also shows that the trend in emissions is largely stagnant, with releases of CO₂ being around this level for the last four years. Table 3b of the submission breaks these overall emissions down into their component parts.
- 4.11 'Scope 1' emissions within tables 3a and 3b of the submission are those arising from the direct use (burning) of primary fuels by the Council. These increased by 461tCO₂e compared to the previous reporting year. This was due to natural gas consumption increasing by 4%, this being by far the biggest source of the Council's emissions. Other Scope 1 emissions are from:

- Gas oil use in Moorfoot Primary, Tynewater Primary and Vogrie Country House – a fall of 6% in emissions from this source on last year;
 - The use of fuels in the Council's vehicle fleet – a rise of 7% in emissions from this source; and
 - Claims for fuel used by staff in their own cars whilst on Council business – the 2021/22 reporting year is the first time that emissions from this source have been included. They totalled 18tCO₂e.
- 4.12 Electricity use in the Council's building portfolio accounted for most Scope 2 emissions and consumption of it increased by 7.5% over the previous year. The opening of the Danderhall Community Hub and Primary School was the single greatest change in power use by the Council in 2021/22 and so was a likely contributor. The other sources of Scope 2 emissions are from street lighting, which were similar to last year.
- 4.13 Scope 3 emissions are those resulting from electricity losses in the power network, water supply & treatment and those from homeworking employees. These are a minor component of the Council's emissions (6%) but it is worth highlighting that, using this methodology at least, organisations remain responsible for the carbon footprint of their employees work activities, wherever they are located. It should also be stated though that such a methodology does not factor in the emissions which have been avoided through employees not having to travel to and from work, which are likely to be substantial.
- 4.14 The submission also reports that 112,000kWh of renewable electricity was generated by the solar photovoltaic systems installed on the Council's estate. This avoided the release of 24tCO₂e from grid electricity not needing to be being imported.
- 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 23,500tCO₂e and Midlothian's population was 86,500. The respective figures for 2021/22 were 16,250tCO₂e and 94,680. This means that the carbon efficiency with which it has delivered its services over this time has improved dramatically, from 0.27tCO₂e annually per resident to 0.17tCO₂e – 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, compared to around 4,030 in 2021/22. This means that the carbon footprint of its staff has reduced from 7.0tCO₂e per employee per year to 4.0tCO₂e 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 role of the Midlothian Local Development Plan 2017 and its Strategic Flood Risk Assessment as well as the Forth Estuary Local Flood Risk Management Plan in determining risks (specifically flooding). The latter also assists in managing and adapting to such risks alongside internal Council plans which include the Severe Weather Plan and Winter Service Policy and Operational Plan. The submission also notes the role of the Midlothian Green Network Supplementary Guidance in enabling the natural environment to contribute to climate change mitigation and adaptation.

- 4.18 The Council's overall approach in the area of risk and accountability for it is outlined in its Risk Management Policy and Strategy which was reviewed in mid-2021 by a Risk and Resilience Group. This focuses on all risks that the Council may be exposed to and not exclusively on climate-related risks, though an objective of it is to anticipate and respond to environmental legislative requirements.
- 4.19 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 projects, work to improve the energy efficiency of the Council's building stock and outdoor learning in nature. Further examples are provided of where the Council contributes to the goals of the Adaptation Programme in areas where local authorities are not specifically named.

PART 5: PROCUREMENT

- 4.20 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. This section of the submission also refers readers onto relevant pages of the Public Contracts Scotland website where they can inspect the practical application of these principles.

RECOMMENDED REPORTING (NON-STATUTORY) PARTS

- 4.21 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 5.95tCO₂e in 2009 to 3.56tCO₂e in 2020 (the latest year for which an official figure is available). This equates to a reduction of 40%. The table also shows that the Midlothian's total emissions have fallen from 487,000tCO₂e in 2009 to 331,000tCO₂e in 2020. Most sectors have seen substantial falls over this timescale. Reductions in emissions

from transport however, one of the largest contributors to emissions, have been modest¹. This implies that continued work in this area is required, such as the roll-out of electric vehicle charging infrastructure and the continued promotion of active travel over motorised alternatives.

- 4.22 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 biodiversity, investment in energy efficiency and renewable energy projects using Salix funding (Government funding to the public sector) and activities of the Council's Waste staff. The single largest component of table Q5 is given to the extensive work performed by Council staff in promoting active and low carbon transport, including promoting behavioural change, work done in schools to introduce children to active travel at a young age and efforts to encourage active travel amongst Council staff. This is particularly valuable given the difficulties of reducing emissions from this source.

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 which noted that governance arrangements – specifically the Carbon Management Board and Climate Change & Sustainable Development Group – were not being put into practice. Implementing the actions within the Council's Climate Change Strategy, particularly the inception of the Carbon Neutral by 2030 Board and the recruitment of a Climate Change Officer, would help address this. The resourcing of this group and post, and the cascading of information from them is integral to future PBCCD submissions. These points were also highlighted in further work conducted by the Council's Internal Audit staff during the reporting year.
- 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.

¹ While transport emissions in Midlothian did fall from 151tCO₂e in 2019 to 118tCO₂e in 2020, this was likely due to reduced journeys over the periods of the Covid lockdowns rather than any transition to more sustainable travel options.

Risk

- 5.4 Under the Climate Change (Scotland) Act, Scottish Ministers may instruct investigations into PBCCD reports. The Scottish Government may assess them in relation to their compliance to monitor progress and their guidance conveys the message that responsibility for compliance with the public bodies' climate change duties rests with the reporting organisation, who risk legal challenge or reputational damage if this cannot be demonstrated.
- 5.5 Other scrutiny in this area has come from the local and national press, with some of their work focussing on Midlothian's activities or having been critical of the extent to which local authorities in general are accurately reporting on their emissions. Similarly, Audit Scotland released an investigation into public sector climate change duties compliance in September 2022. In 2019, a group of environmental lawyers wrote to 100 local authorities in England to warn them of the risk of legal action should they not adequately address their climate change obligations.
- 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. For example, the 2018/19 guidance stated that 'it is untenable for a public body not to have some form of [carbon reduction] target set and monitored'. This implies that alterations in what is required in future returns may expose any deficiencies in resourcing of climate change work within the Council.
- 5.7 This year's, and past submissions, demonstrate the wide range of activities that the Council has done to reduce its emissions. It should be borne in mind however, that part of the reduction in its carbon footprint since reporting began is due to the decarbonisation of grid electricity, a factor that it is not responsible for. 0.49kg of CO₂ equivalent was emitted per kWh of electricity generated in 2014/15, and in 2021/22 this figure was 0.23kg of CO_{2e}/kWh, a fall of 57%. This implies that should this trend stagnate, so too would any fall in Midlothian Council's emissions resulting from it. This can be countered by the Council generating more of its own renewable electricity and reducing its overall use too.

Ensuring Equalities

- 5.8 Not applicable. The people implications of this report relate to moderate aspects of the working practices of a limited number of staff and are primarily dealt with in relation to the Council's new Climate Change Strategy.

Additional Report Implications

- 5.9 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 reducing the impact of climate change as a key priority under the Single Midlothian Plan.

The recommendations of 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 one
- ☐ 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

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 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 2021/22 – CMIS Library