



REPORT TO ABERDEENSHIRE COUNCIL – 14 FEBRUARY 2019

CARBON BUDGET 2019/2020

1 Recommendations

It is recommended that Council:

- 1.1 Agree a total Carbon Budget of 61,786 tonnes CO₂e for 2019/20 as set out in paragraph 3.1;**
- 1.2 Agree Carbon Budgets for 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25 on a provisional basis as set out in Appendix 1;**
- 1.3 Note the risks set out in Appendix 3;**
- 1.4 Delegate the responsibility to each Director to secure their reduction targets as set out in paragraph 3.1, including currently unidentified savings, and to report to the Sustainability Committee to outline in year progress.**

2 Background

- 2.1** The Conference of Parties (COP21) Agreement, to which the UK and Scotland subscribe, came into effect on 4 November 2016 and binds nations to hold global temperature rise to under 2 degrees Celsius. The UK and Scottish Governments both have legislation addressing the objectives of reducing carbon emissions and have signed up to the COP21 Paris Agreement.
- 2.2** Part 4 of the Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change. The duties of the Act (section 44) require that a public body must, in exercising its functions, act:
 - in the way best calculated to contribute to delivery of the Act's emissions reduction targets;
 - in the way best calculated to deliver any statutory adaptation programme; and
 - in a way that it considers most sustainable.
- 2.3** All councils have a role in supporting the Scottish Government in meeting its targets. Aberdeenshire Council reports annual emissions to the Scottish Government as part of its Climate Change Duties. The Carbon Budget process further assists Aberdeenshire Council in supporting the Scottish Government's targets as well as supporting the work required by the Council to meet its own reduction commitments. Rethinking how the Council maintains an excellent service while lowering its emissions is an opportunity for positive change and innovation that can also reduce costs.

- 2.4 The purpose of this report is to set out Aberdeenshire Council's Carbon Budget for 2019/20. The budget concept has been to allocate an allowance of tonnes Carbon Dioxide Equivalent (tCO₂e) emissions for 2019/20. Directors will be required to keep within this allowance over the financial year allowing the Council to better manage how it works towards meeting its emission reduction targets.
- 2.5 Carbon Dioxide Equivalent (CO₂e) is a standard unit for measuring carbon footprints. It is used to express the impact of each different greenhouse gas in terms of the amount of carbon dioxide that would create the same amount of warming. Therefore, the Council's carbon footprint consists of lots of different greenhouse gases expressed as a single number.
- 2.6 The Carbon Budget relates to Aberdeenshire Council's own emissions and not to the wider community or business emissions that relate to the area of Aberdeenshire. Work being done on the North East Scotland Sustainable Energy Action Plan (NESSEAP) will capture this separately.
- 2.7 The CO₂e allowance will be reduced each year in order to achieve the Council's own policy and target to reduce its climate change emissions by 44% by 2025 from the 2010/11 baseline of 86,155 tCO₂e.
- 2.8 Appendix 1 demonstrates the progress being made annually by Aberdeenshire Council as it moves closer towards its reduction target. To address the required linear reduction, a Carbon Budget of 61,786 tCO₂e for 2019/20 is needed to keep Aberdeenshire Council on target.

3 Carbon Budget 2019/2020

- 3.1 An allocation of CO₂e for 2019/20 has therefore been established as 61,786 tCO₂e. Given the 2-year gap between 2017/18 data and 2019/20 target and the need to keep the momentum in reducing emissions, a required reduction target of 3400 tCO₂e for 2019/20 has been set. A Power of Influence Index was utilised to determine how the allocation should be distributed across the Directorates with services putting forward actions to meet these targets. The index demonstrates which services have the most influence (through service plans and budget) to implement carbon reduction projects.

Directorate	Reduction Target
Business Service	500 tCO ₂ e
Infrastructure Service	2200 tCO ₂ e
Education and Children Services	600 tCO ₂ e
Health and Social Care Partnership	100 tCO ₂ e

- 3.2 Actions have already been identified in Appendix 2 for each Directorate totalling an overall 3268 tCO₂e reduction at this time. During 2019/20 further CO₂e savings will be developed to meet the reduction target of 3400 tCO₂e.

- 3.3 Actions to reduce the CO2e saving will be led by the relevant service and in some cases reported to the relevant Committees. In order to monitor the Carbon Budget, CO2e emissions will be reported annually through the Climate Change Duties report and updated Carbon Budget spreadsheet. Visible changes in behaviour will be expected as well as financial savings within some budget lines.
- 3.4 Appendix 3 highlights risks, budget pressures and significant developments which may create additional challenges for Aberdeenshire Council to meet its Carbon Budget for 2019/20 and beyond.

4 Future Years (2020 – 2025)

- 4.1 Utilising a linear reduction requirement for Aberdeenshire Council to meet its CO2e reduction target of 44% by 2025, the table in Appendix 1 provides a Carbon Budget figure for each financial year moving forward.
- 4.2 A summary of future Carbon Budgets is provided in the table below:

Financial Year	Carbon Budget required to reach target (tCO2e)
2020/21	59,078
2021/22	56,370
2022/23	53,662
2023/24	50,955
2024/25	48,247

- 4.3 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 and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

5 Scheme of Governance

- 5.1 The Committee is able to consider this item in terms of Section A8.1 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to approval of the annual estimates and setting the council budgets.

6 Implications and Risk

- 6.1 An Equality Impact Assessment has been carried out as part of the development of the proposals set out above. It is included as Appendix 4 and no detrimental impact has been identified.
- 6.2 The financial implications will be significant in reaching carbon emission reduction targets and will need to be addressed on an individual service and project basis.
- 6.3 The Council's remaining Renewable Energy Reserve fund will continue to be committed to eligible carbon saving initiatives linked to the Carbon Budget.

- 6.4 Aberdeenshire Council is a part of the Carbon Reduction Commitment (CRC) which is a mandatory carbon emissions reporting and pricing scheme. The cost to Aberdeenshire Council of allowances for 2018/19 is estimated to be £536,282. The scheme currently has a price of £17.20 per tCO₂e.
- 6.5 Looking forward, the Carbon Budget process will need to be considered alongside the Medium Term Financial Strategy of the Council to ensure affordability and also across the Council's corporate and informed approach.
- 6.6 Where carbon reduction projects provided accurate financial savings this has been interwoven into the financial budget process for 2019/2020.
- 6.7 There are no immediate direct staffing implications arising from this report however there could be additional staffing requirements to implement significant emission reduction projects moving forward.
- 6.8 The following Risks have been identified as relevant to this matter on a Corporate Level – 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 Strategic Risk Register.
- 6.9 It is important to consider, report and accept specific risks in setting the Carbon Budget, and these are listed in Appendix 3. This list is not exhaustive.
- 6.10 A Town Centre Impact Assessment was not completed because there are no direct material outcomes of this report that would have an impact on Town Centres.

Stephen Archer
Director of Infrastructure Services

Report prepared by: Claudia Cowie, Team Leader Sustainability & Climate Change 07 January 2019

Appendix 1: Carbon Budget 2019/2020

Annual progress towards 2025 target:

Financial Year	Actual Emissions Reported (tCO ₂ e)	Carbon Budget Required to reach Target (tCO ₂ e)
2010/11	86,155	86,155
2011/12	78,400	83,447
2012/13	82,782	80,740
2013/14	77,265	78,032
2014/15	81,805	75,324
2015/16	79,537	72,616
2016/17	73,587	69,909
2017/18	68,352	67,201
2018/19	Determined 11/2019	64,493
2019/20	Determined 11/2020	61,786
2020/21	Determined 11/2021	59,078
2021/22	Determined 11/2022	56,370
2022/23	Determined 11/2023	53,662
2023/24	Determined 11/2024	50,955
2024/25	Determined 11/2025	48,247





	Proposed Identified CO2e Savings (tonnes) 2019/20
BUSINESS SERVICES	
Energy Efficiency Measures (across Council)	200
Office Rationalisation	*
Depot Strategy/Rationalisation	*
Asset Review & Disposal	*
PVs and EV chargers Depot Sites	*
Continued expansion of pool vehicle scheme	10
Integration of EVs into the pool vehicle fleet	10
Energy efficiency Behaviour Change	83
Waste Reduction	4
Business Services Total Identified to date	307
INFRASTRUCTURE SERVICES	
Hydrogen vehicles added to the Fleet	*
Replace some existing diesel vans with EVs	*
Utilise Telematics data	*
Introduce more electric powered mowers	*
Injection Patching Machine	61
Change from Kerosene to LPG at 3 Quarry sites	239
Energy Reduction Measures: LED street lighting	1529
Energy efficiency Behaviour Change	240
Waste Reduction	7
Warp-It	24
Revise waste collection and segregation from skips	102
Infrastructure Services Total Identified to date	2202
EDUCATION AND CHILDREN SERVICE	
Macduff Aquarium - Replace Seawater chiller	*
Energy efficiency Behaviour Change	634
Waste Reduction	25
Education & Children Services Total Identified to date	659
HEALTH AND SOCIAL CARE PARTNERSHIP	
Reduction in business miles – Improved planning	*
Energy efficiency Behaviour Change	97
Waste Reduction	3
Health & Social Care Partnership Total Identified to date	100
Total Reductions Identified (tCO2e)	3268
Reduction still required (tCO2e)	(132)

*Data to determine CO2e savings is still being collected therefore an estimated reduction figure has not been calculated at this time. Work will be done over 2019/2020 to determine this figure.

1 Risks

- 1.1 A number of risks have been identified when developing the proposed carbon budget. These are highlighted below:
- (1) Calculations of emission reductions are a best estimate with the data available therefore all calculations must only be considered as an estimate. Any changes in consumption or emissions data will be monitored and reported on at the appropriate time.
 - (2) In some cases, full CO2e savings of actions listed will not be fully accounted for until 2020/21. Part year savings may need to be considered if there are delays in projects being put into action. This would mean that projected savings would be less than originally calculated and therefore action elsewhere may be required to make up the difference. This can be captured and considered during the quarterly update process with appropriate action taken if needed.
 - (3) Many of the actions within Appendix 2 require behaviour change by staff and Members. To be successful this will require both top down and bottom up visible action and support across all services. This can be monitored through regular updates to SLT and service team meetings.
 - (4) Funding through the Renewable Energy Reserve has motivated services to consider opportunities for investing in projects which will reduce carbon emissions. There is a financial risk in reducing this fund as it is used mostly on a spend to save basis and encourages innovation within services. Consideration should be given to the possibility of financial savings from projects utilising the Renewable Energy Reserve being recycled back into it for reinvestment into further carbon saving initiatives.
 - (5) Changes in climate change mitigation and adaptation legislation will need to be monitored and targets adjusted to meet any additional statutory requirements. This will continue to be monitored by the sustainability team and reported on to the Sustainability Committee.
 - (6) There is a political risk associated with not meeting the Council's agreed emissions reduction target. The Carbon Budget process of Aberdeenshire Council is recognised as best practice by public sector organisations and should continue to be the process used for supporting progress towards the Council's reduction target. Reporting on emissions is a mandatory requirement through the Climate Change Duties and therefore allows the Council to monitor and assess its progress on an annual basis. This reporting is monitored by the Sustainability Committee.
 - (7) The Carbon Budget will need to become better integrated with the Financial Budgets. This will provide Members with a clearer link in demonstrating the costs and savings being met through carbon saving

initiatives. This will be an important step in assisting the Council to make decisions that allow it to meet its emission reduction targets in the most cost effective way. This requires cross service working to ensure savings are captured correctly and is an ongoing process.

- (8) Reaching the required reduction target of 44% by 2025 will require innovation and investment as well as a desire within leadership to continue to progress towards this target. There is a reputational risk if this is not achieved and therefore progress will continue to be monitored by the sustainability team and reported on to the Sustainability Committee for appropriate action.

- 1.2 All of these risks and others within the budget will be monitored and managed in order to identify any issues and address these at an early stage.

2 Budget Pressures and Significant Developments

- 2.1 Significant budget pressures and developments across services and the estate will have implications on the Council's Carbon Budget:

- (1) Overall budget pressures across Aberdeenshire Council mean that projects which will reduce emissions may not be considered in order for the Council to reach a balanced budget. Budget reductions across services will also impact resources required for potential projects.
- (2) Removal of the Central Energy Efficiency Fund (CEEF) and the Education Energy Efficiency Budget (EEEB) in 2018/19 from Property and Facilities Management budget means that implementation of expected energy efficiency projects have been delayed. They will be scheduled for future years.
- (3) New schools now online – they are more energy efficient but larger community campuses. Extended times of operation have therefore increased energy use. This is in line with expectations of the business case for these builds.
- (4) The Scottish Government has set out plans to increase the number of funded early learning and childcare hours. At the moment, all 3 and 4 year olds, and some 2 year olds who meet specific criteria, receive 600 hours of funded early learning and childcare per year. Under the new plans, this will almost double to 1140 hours by August 2020. This will increase energy use and waste and therefore will have an impact on emission reduction targets. Once known this increase will be included in the calculations.

- 2.2 All of these budget pressures and developments will be monitored in order to identify any issues and address these where possible at an early stage.

EQUALITY IMPACT ASSESSMENT

Stage 1: Title and aims of the activity (“activity” is an umbrella term covering policies, procedures, guidance and decisions).	
Service	Infrastructure Services
Section	Economic Development and Protective Services
Title of the activity etc.	Carbon Budget 2019/2020
Aims of the activity	The Carbon Budget is a tool which can be utilised to ensure that each service is made accountable for reducing its own carbon emissions and allows the Council to better manage how it works towards meeting its emission reduction targets. The budget concept has been to allocate an allowance of Carbon Dioxide Equivalent (CO ₂ e) emissions for 2019/20, with Directorates required to keep within this allowance over the financial year. As this concept develops each year, the CO ₂ e allowance will be reduced in order to achieve the Council’s own policy to reduce climate change emissions and to save the council money on avoidable and wasted energy use.
Author(s) & Title(s)	Claudia Cowie, Team Leader Sustainability and Climate Change

Stage 2: List the evidence that has been used in this assessment.	
Internal data (customer satisfaction surveys; equality monitoring data; customer complaints).	Internal energy, transport and waste consumption data has been used to determine the carbon emissions of the Council. Data has come from Property and Facilities, Transportation, Roads, Landscape and Waste Services, HR&OD.
Internal consultation with staff and other services affected.	Yes – A number of different services within Business, Infrastructure, Education and Children, and the Health and Social Care Partnership have provided data and information for this report.

Appendix 4

External consultation (partner organisations, community groups, and councils).	Analysis and breakdown of emissions data to services in each directorate was completed by Aether Consultancy (using Aberdeenshire Council data provided by the services mentioned above). This was utilised to determine emission reduction targets through behaviour change initiative within the report.
External data (census, available statistics).	NA
Other (general information as appropriate).	NA

Stage 3: Evidence Gaps.	
Are there any gaps in the information you currently hold?	NA

Stage 4: Measures to fill the evidence gaps.		
What measures will be taken to fill the information gaps before the activity is implemented? These should be included in the action plan at the back of this form.	Measures:	Timescale:

Stage 5: Are there potential impacts on protected groups? Please complete for each protected group by inserting "yes" in the applicable box/boxes below.				
	Positive	Negative	Neutral	Unknown
Age – Younger	Yes			

Appendix 4

Age – Older	Yes			
Disability	Yes			
Race – (includes Gypsy Travellers)	Yes			
Religion or Belief	Yes			
Gender – male/female	Yes			
Pregnancy and maternity	Yes			
Sexual orientation – (includes Lesbian/ Gay/Bisexual)	Yes			
Gender reassignment – (includes Transgender)	Yes			
Marriage and Civil Partnership	Yes			

Stage 6: What are the positive and negative impacts?		
Impacts.	Positive (describe the impact for each of the protected characteristics affected)	Negative (describe the impact for each of the protected characteristics affected)
Please detail the potential positive and/or negative impacts on those with protected characteristics you have highlighted above. Detail the impacts and describe those affected.	Improvements in environmental and climate change mitigation performance will benefit all staff and residents of Aberdeenshire Council.	

Stage 7: Have any of the affected groups been consulted?
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<p>If yes, please give details of how this was done and what the results were. If no, how have you ensured that you can make an informed decision about mitigating steps?</p>	<p>NA at this stage.</p>
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Stage 8: What mitigating steps will be taken to remove or reduce negative impacts?		
<p>These should be included in any action plan at the back of this form.</p>	Mitigating Steps	Timescale

Stage 9: What steps can be taken to promote good relations between various groups?	
<p>These should be included in the action plan.</p>	

Stage 10: How does the policy/activity create opportunities for advancing equality of opportunity?	

Stage 11: What equality monitoring arrangements will be put in place?	
<p>These should be included in any action plan (for example customer satisfaction questionnaires).</p>	

Appendix 4

Stage 12: What is the outcome of the Assessment?		
Please complete the appropriate box/boxes	1	No negative impacts have been identified –please explain.
	Improvements in environmental and climate change mitigation performance will benefit all staff and residents of Aberdeenshire Council.	
	2	Negative Impacts have been identified, these can be mitigated - please explain. * Please fill in Stage 13 if this option is chosen.
	3	The activity will have negative impacts which cannot be mitigated fully – please explain. * Please fill in Stage 13 if this option is chosen

* Stage 13: Set out the justification that the activity can and should go ahead despite the negative impact.

Stage 14: Sign off and authorisation.		
Sign off and authorisation.	1) Service and Team	Infrastructure Services - Economic Development and Protective Services
	2) Title of Policy/Activity	Carbon Budget 2019/20

	3) Authors: I/We have completed the equality impact assessment for this policy/activity.	Name: Claudia Cowie Position: Team Leader Sustainability and Climate Change Date: 09/01/2019 Signature:		Name: Position: Date: Signature:
		Name: Position: Date: Signature:		Name: Position: Date: Signature:
	4) Consultation with Service Manager	Name: Belinda Miller Date: 09/01/2019		
	5) Authorisation by Director or Head of Service	Name: Position: Date:	Name: Position: Date:	
	6) If the EIA relates to a matter that has to go before a Committee, Committee report author sends the Committee Report and this form, and any supporting assessment documents, to the Officers responsible for monitoring and the Committee Officer of the relevant Committee. e.g. Social Work and Housing Committee.			Date: 09/01/2019
7) EIA author sends a copy of the finalised form to: eia@abdnshire			Date: 30/01/2018	
(Equalities team to complete) Has the completed form been published on the website? YES/NO				Date:

Appendix 4

[illegible]

