

REPORT TO SUSTAINABILITY COMMITTEE – 17 FEBRUARY 2021

CLIMATE CHANGE COMMITTEE RECOMMENDATIONS FOR LOCAL AUTHORITIES

1 Reason for Report/Summary

- 1.1 This Report puts forward the recent UK wide [Local Authorities and the Sixth Carbon Budget](#) report from the Climate Change Commission for discussion by the Committee.

2 Recommendations

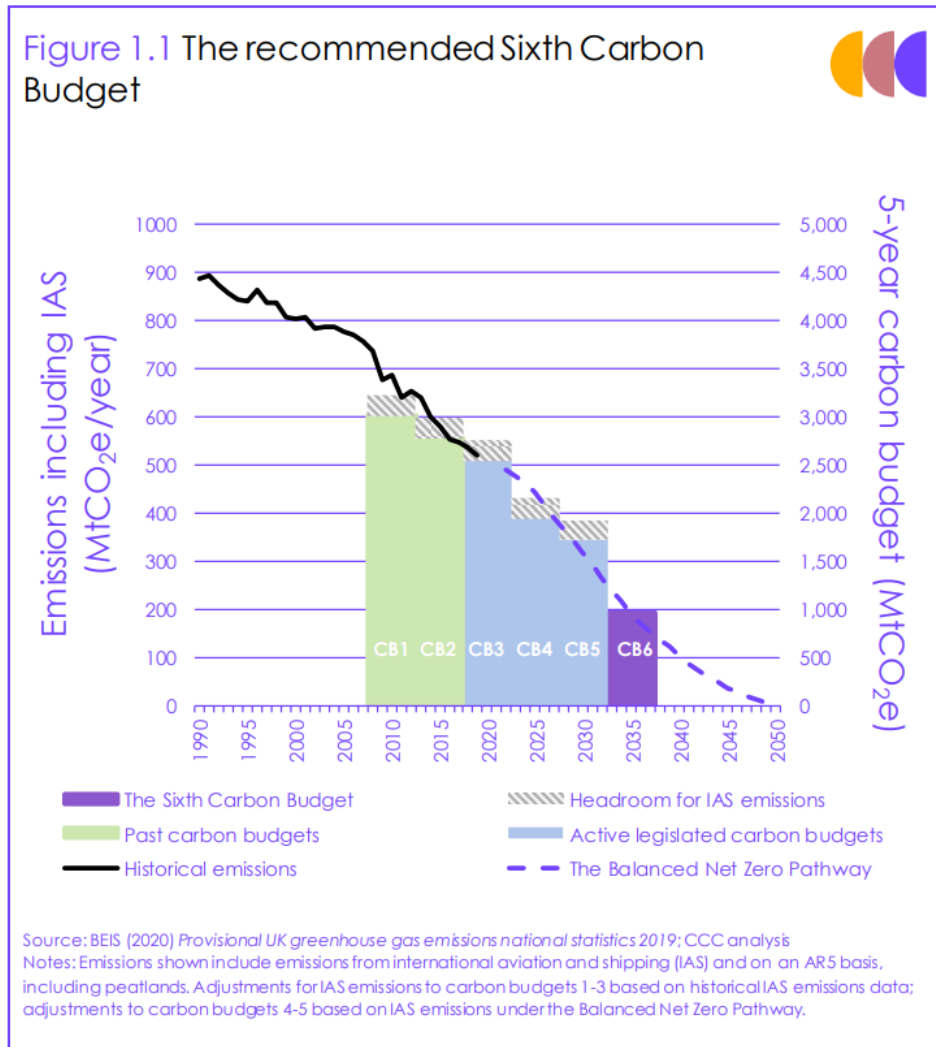
The Committee is recommended to:

- 2.1 Consider and comment upon the [Local Authorities and the Sixth Carbon Budget](#) Report from the Climate Change Commission, with particular reference to the ‘Recommendations for Local Authorities’ provided in Appendix 1.

3 Purpose and Decision-Making Route

- 3.1 The [Climate Change Committee](#) (CCC) is an independent, statutory body established under the Climate Change Act 2008 with the purpose of advising the UK and devolved governments on emissions targets and of reporting to Parliament on progress made.
- 3.2 The [Climate Change Act 2008](#) requires a system of national carbon budgets providing five-yearly statutory caps on UK territorial emissions. The [Sixth Carbon Budget](#) Report, issued by the CCC in December 2020, advises on UK emissions limits for the period 2033-37. Limits for this period must be legislated by the middle of 2021 in accordance with the Climate Change Act 2008. The Sixth Carbon Budget Report is the first to be produced with the UK’s new 2050 Net Zero target. However, it goes beyond just providing emissions limits for the period 2033-37 and also advises on the pathway to Net Zero, including the contributions of Scotland, Wales and Northern Ireland, and presents five Net Zero scenarios exploring how developments in behavioural and societal change and in technology may affect the path.

The figure below, taken from the Sixth Carbon Budget Report, shows the various carbon budgets, historical emissions and the ‘Balanced Net Zero Pathway’ for the UK.

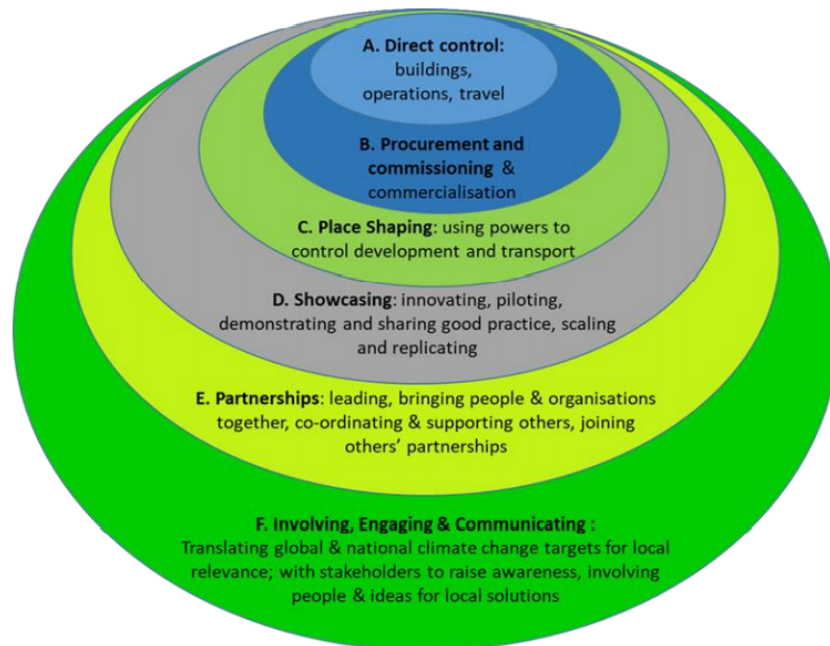


3.3 The [Local Authorities and the Sixth Carbon Budget](#) Report was issued along with the Sixth Carbon Budget Report and provides specific information and recommendations for UK Local Authorities with regard to working towards delivering Net Zero. This Report is directly relevant to Aberdeenshire Council and the Sustainability Committee given our requirement under the [Climate Change \(Scotland\) Act 2009](#) (Part 4) to contribute to national emissions reduction targets (which for Scotland are more ambitious than the UK) and our commitments in our [Climate Change Declaration](#) (Aberdeenshire Council, [18 March 2020](#) (Item 9)) with regard to internal and Aberdeenshire-wide emissions reductions.

4 Discussion

4.1 The [Local Authorities and the Sixth Carbon Budget](#) Report estimates that UK Local Authorities are directly responsible for between 2 - 5% of their area emissions but also notes their wider leverage and influence, as illustrated in the figure below, extracted from the Report.

Figure 1.2 How local authorities control and influence emissions



Source: 'Onion diagram' based on internal Centre for Sustainability model and amended for this report.

- 4.2 The Report asserts that progress to date in reducing emissions has been largely achieved through central policy to phase out coal for electricity production, but that now many of the urgent changes and decisions which are needed have a strong local dimension. It goes on to say that delivery at a local scale is crucial for decarbonisation of buildings, transport, waste and industry, cutting emissions from agriculture and storing more carbon through land-use and forestry, and that local context will be particularly important to deliver heat decarbonisation, which cannot be achieved in a cost-effective way without coordination for the infrastructure investments needed.
- 4.3 The report recommends that Local Authorities consider nine priorities in their action on climate change. These recommended priorities are given in full in **Appendix 1** and summarised below with comments as to their status within Aberdeenshire Council.

Recommended priority*	Comment on status within Aberdeenshire Council
<p>1</p> <p>Climate Action Plans</p> <p>Net Zero or Climate Action Plans with delivery projects</p>	<p>Aberdeenshire Council has had Climate Change Action Plans covering 2011-15 (Sustainability Sub-Committee, 01 November 2010, Agenda Item 4) and 2016-20 (Policy and Resources Committee, 17 November 2016, Agenda Item 16).</p> <p>Aberdeenshire Council's Carbon Budget process, introduced in 2017-18, sets annual targets for emissions (CO₂e) reduction within the Council operations and was established with the aim of ensuring that this was managed and monitored alongside financial budgets and to encourage ownership of emissions across the organisation. In the upcoming Carbon Budget 2021-22 report to Full Council (04 March 2021) there are recommendations for the Council to Instruct Directors to each develop a Carbon Reduction Plan and for the Director of Infrastructure Services to develop a Medium-Term Carbon Strategy, based on the four Directorate Carbon Reduction Plans.</p> <p>It is recommended that any plans and strategies are placed within an overall governance structure for sustainability and climate change within the Council.</p>
<p>2</p> <p>Monitor and report</p> <p>Monitor and report on progress to communities and government</p>	<p>Aberdeenshire Council completes annual statutory reporting to the Scottish Government on compliance with its climate change duties. Reports are available to the public through Sustainable Scotland Network and linked via the Council website.</p> <p>Consideration could be given to how Aberdeenshire Council communicates and holds itself accountable to its community with regard to its decisions and plans.</p>
<p>3</p> <p>Policy and Service reviews</p> <p>Policy and Service reviews to align policy, spending and functions with Net Zero</p>	<p>Initial discussions. Room for development.</p> <p>Policy and Service reviews could be considered in the context of the recommended establishment within an overall governance structure for sustainability and climate change within the Council.</p>

Recommended priority*		Comment on status within Aberdeenshire Council
4	<p>Training and capacity building</p> <p>Training and capacity building to deliver Net Zero within the local authority and with key suppliers and contractors.</p>	<p>Initial discussions. Room for development.</p> <p>Training and capacity building could be considered in the context of the recommended establishment within an overall governance structure for sustainability and climate change within the Council. Additional resource could be considered to support Directorates in developing Carbon Reduction Plans and a Medium-Term Carbon Strategy (if approved).</p>
5	<p>Preparation to scale-up</p> <p>Develop capacity to innovate and scale up, including identifying future projects.</p>	<p>Dependent on medium and long-term plans (see recommended priority 1).</p>
6	<p>Collaborate</p> <p>Collaborate and develop strategy with other local authorities and key delivery bodies including in the areas of energy, transport, housing, infrastructure and skills.</p>	<p>Aberdeenshire Council set up and is now on the Steering Group for Climate Ready Aberdeenshire, which has the aim to develop a shared vision, strategy and action plan for Aberdeenshire to mitigate climate change and adapt to its impact.</p> <p>Consider the recommended establishment of an overall governance structure for sustainability and climate change within the Council would allow the Council to set strategy with regard regional and wider collaboration.</p>
7	<p>Green Finance</p> <p>Develop Green Finance know-how.</p>	<p>Initial discussions. Room for development.</p> <p>Consider how this could align with the Council's medium-term financial plan.</p>
8	<p>Communicate and engage</p> <p>Communicate and engage with local communities, businesses and partners to develop a Net Zero mandate for action which benefits all.</p>	<p>Ongoing, including through Climate Ready Aberdeenshire, but with room for development.</p> <p>Consider how the Council will provide leadership on communication and engagement within the context of an overall governance structure for sustainability and climate change within the Council.</p>

Recommended priority*	Comment on status within Aberdeenshire Council
<p>9 Pension funds</p> <p>Local authority pension funds should disclose their approach to assessing and managing climate risks and should consider investing in Net Zero aligned schemes within their legal duties.</p>	<p>The best way to address climate change is considered a key issue for pension funds at the moment and NESPF are reviewing their Statement of Investment Principles and associated policies, aiming to announce updates later this year, subject to Committee & Board approval.</p> <p>NESPF are a member of the Principles of Responsible Investment (PRI A+ rated). Current carbon footprint data on the NESPF portfolio scores it significantly lower than the benchmark and NESPF has voted on shares supporting climate change action (voting records published on website). NESPF has also recently invested in a number of dedicated renewables investments. Consideration could be given to if this is something the fund could extend further.</p>

*Adapted from Chapter 4, Section 2 'Recommendations for local authorities' from the Climate Change Committee report [Local Authorities and the Sixth Carbon Budget](#)

4.4 It is worth noting that the Local Authorities and the Sixth Carbon Budget Report also provides 'Recommendations to government' in Chapter 4, Section 1, and stresses that government action is key in supporting local authorities. Therefore, Aberdeenshire Council should consider how it works with government, operates within government frameworks and makes use of government support. Of particular relevance will be the recently published climate change plan update from Scottish Government: [Securing a green recovery on a path to net zero: climate change plan 2018–2032 – update](#). This update is not discussed in this report.

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			X
Fairer Scotland Duty			X
Town Centre First			X
Sustainability	X		
Children and Young People's Rights and Wellbeing			X

- 5.3 There are no direct implications of providing this feedback. The impacts of any proposals arising from this feedback will be assessed as required.
- 5.4 An Equality Impact Assessment is not required as there are no direct implications of providing this feedback. The requirement for Equality Impact Assessments will be assessed as required with regard to proposals that emerge from feedback.
- 5.5 A Town Centre Impact Assessment is not required as there are no direct implications of providing this feedback. The requirement for Town Centre Impact Assessments will be assessed as required with regard to proposals that emerge from feedback given.
- 5.6 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 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, their comments are incorporated within the Report and 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.

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25 January 2021

Appendix 1 – Recommendations for Local Authorities

APPENDIX 1: Recommendations for Local Authorities

The below is an extract from Chapter 4, Section 2 'Recommendations for local authorities' from the Climate Change Committee report [Local Authorities and the Sixth Carbon Budget](#).

2. Recommendations for Local Authorities

Local Authorities are well placed to deliver climate action in the UK, and should be supported to do so. Local Authorities looking to act on climate change should consider the following over-arching priorities:

1. Develop Net Zero or Climate Action Plans with delivery projects that prepare the area to make the transition to net zero choices from 2030, and align with climate adaptation, biodiversity net gain and other key local strategies. Include immediate actions that kick-start delivery now and that support low-carbon and green skills and jobs.
2. Monitor and report on progress in reducing emissions to local communities and government. Where possible share standardised data, benchmark and provide clear evidence to inform policy.
3. Conduct policy and service reviews to align policy, spending and functions with Net Zero. Identify contradictions, then put in place mitigation plans to align them at a future date and reduce emissions in the meantime. Develop project and financial appraisal systems that include emissions and climate impacts.
4. Implement training and capacity building to deliver Net Zero within the Local Authority and with key suppliers and contractors. Climate, energy, sustainability and carbon understanding needs to be embedded in the whole authority, across staff and systems. Increasingly specialist skills will be needed around energy systems. Climate change should be central to Elected Member and Senior Director training.
5. Develop capacity to innovate and scale up. Climate change action plans help identify future delivery projects for when funding becomes available. Local Authorities should prioritise applying for funding and managing funds if successful. This recommendation sits alongside the recommendation to government to implement longer term funding windows, longer periods for funding and flexibility to blend funding streams. It is also backed by a recommendation for more funding for Local Authorities to act on climate change.
6. Collaborate with neighbouring and cross-tier Local Authorities and other key delivery bodies on strategies and plans which ensure systems-wide transformation is coherent and supportive of Net Zero. This should include energy, transport, housing, infrastructure and skills. This should enable Local Authorities to cluster to share skills, expertise, achieve economies of scale and deliver more effectively. Local area energy plans should be conducted at a

scale larger than small district councils and with awareness of the wider energy assets in the region.

7. Develop Green Finance know-how. Private sector investment and Green Finance will be required to deliver the scale of the change needed. Local Authority legal and finance teams, and project delivery teams will need to develop their knowledge of the finance industry.
8. Communicate and engage with local communities, businesses and partners on Net Zero so that a mandate for action is maintained. Support community action with citizens, schools, businesses and other groups. Assess the skills needed locally to deliver the transition, developing green and low carbon jobs and supporting a resilient recovery.
9. Local Authority pension funds should disclose their approach to assessing and managing climate risks and should consider investing in Net Zero aligned schemes within their legal duties.