

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	3 March 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Council Climate Change Plan 2021-2025
REPORT NUMBER	COM/21/047
DIRECTOR	Rob Polkinghorne
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Alison Leslie
TERMS OF REFERENCE	21

1. PURPOSE OF REPORT

- 1.1 This report seeks approval of the Climate Change Plan 2021-2025: Towards a Net Zero and Climate Resilient Council, which sets a net zero target for Council assets and operations; and outlines actions for this period to reduce carbon emissions and increase resilience to climate change.

2. RECOMMENDATION(S)

That Council:-

- 2.1 Approves the Climate Change Plan 2021 - 2025 (Appendix 1) and notes the scope, approach, governance and milestones in the plan for Council managed assets and operations.
- 2.2 Notes the ultimate and interim targets within the plan to achieve net zero corporate carbon emissions by 2045, against the plan's defined reporting boundary.
- 2.3 Approves the Project Register Summary (Appendix 2) and; instructs the Chief Operating Officer, to (i) progress the delivery of existing projects on the Project Register; (ii) make any changes which are necessary to those projects which are required, or would contribute to the delivery of the plan; and (iii) develop new projects which are required or which would contribute to the delivery of the plan; (always in consultation with relevant Chief Officers, and in accordance with the Council's Scheme of Governance).
- 2.4 Notes the pilot of a Carbon Budget during the financial year 2021-22.
- 2.5 Instructs the Chief Operating Officer to report back to Full Council with a revised 5 year plan in 2025, or earlier if required.

3. BACKGROUND

- 3.1 The Urgent Business Committee approved the Council Energy and Climate Routemap on 6 May 2020, with the decision to "Instruct the Chief Operating Officer to report back to Full Council with a Council Energy and Climate Plan for the Council's operations and assets by March 2021, ensuring alignment with the Council's annual budget setting process."
- 3.2 In December 2020, Scotland's Climate Change Plan was updated to reflect the policy and actions required to meet the Scottish Government target of net zero greenhouse gas emissions by 2045. The Plan indicates that public sector bodies have a strong leadership role in delivering the transition to net zero.
- 3.3 Greenhouse gas emissions are reported as tonnes of carbon dioxide equivalent (tCO₂e). For the purposes of this report, these are referred to as carbon emissions.
- 3.4 As required by Public Bodies Climate Duties, the Council produces an annual Climate Change Report for approval in October/ November each year by the City Growth and Resources Committee. To meet statutory requirements, the report documents carbon emissions from Council assets and operations, alongside information on actions to reduce the Council's carbon footprint and to adapt to climate change. This will allow Elected Members to monitor our performance in reducing carbon emissions.
- 3.5 Data from the Climate Change Report indicates there has been a 34% reduction in the Council's corporate carbon emissions since statutory reporting commenced in 2015/16. Contributing actions have included connections for 26 public buildings to district heating, a programme of energy efficiency measures, street lighting replacement to LED and introduction of electric and hydrogen vehicles to the Council fleet.

Plan and Project Register

- 3.6 Amendments to climate reporting will require the Council to report a target date for achieving zero direct emissions, or other targets that demonstrate contribution to Scotland achieving emission reduction targets. This will require an increased scale and pace of action. The Climate Change Plan (Appendix 1) sets out the scope of the Council's ambitions, with net zero and interim targets for a reduction in carbon emissions from Council assets and operations. It indicates climate risks affecting the Council and it outlines the project priorities being taken forward to 2025.
- 3.7 The Project Register Summary for the Plan (Appendix 2) was developed by the theme groups (described below at 3.10). It sets emission reduction and climate resilience actions, for Council assets and operations. It includes relevant operational actions from approved programmes including the gold standard new Council house building programme; as well as new actions. In addition, it includes enabling actions to support integration of climate change in Council systems and processes and to build internal awareness and understanding of climate change.

Governance, monitoring and reporting

- 3.8 Full Council is asked to set the strategic direction for Council carbon emissions and adaptation actions up to 2025, through approval of this plan. Scrutiny will be through the Council's Climate Change Report, produced annually to meet requirements of Public Bodies Climate Duties and reported to the City Growth & Resources Committee by the end of November each year.
- 3.9 Officer governance for the development and implementation of this plan has been established. An Oversight Group, led by the Chief Operating Officer has a remit for implementation and delivery of the plan and the project programme, taking a project assurance role to review performance and progress and keep the plan on track. The Oversight Group includes officers from Procurement, Finance, Communications, Corporate Landlord, Data and Insights and from the Net Zero (City) Delivery Unit. Progress reports will be compiled and reported on a quarterly basis to the Council's Performance Board.
- 3.10 Five theme sub groups have been established, with an assigned lead officer, to develop and implement actions in the plan. The theme groups cover: Buildings, Mobility, Other Operations, Leadership and Governance, Awareness and Behaviour Change.

Review

- 3.11 To keep abreast of changes to relevant national legislation, policy, procedure, regulation and guidance, it is proposed the Plan will be reviewed and a new plan brought back to Full Council in 2025. Following this, the plan will be reviewed every 5 years, or earlier if required.

Carbon budget

- 3.12 The Council Energy and Climate Routemap, approved at the Urgent Business Committee in May 2020, included an indicative action to "Consider carbon budget and accounting options, in parallel to our financial systems."
- 3.13 The General Fund Revenue Budget and Capital Programme 2020/21, approved by Council, on 3 March 2020, included the recommendation: "to instruct the Chief Operating Officer to provide the City Growth and Resources Committee, by July 2020, with options on how Carbon Budgeting for Aberdeen City Council could be introduced to support the organisation's climate transition plans." The date of this committee was delayed due to the Covid response and on 28 October 2020, the City Growth and Resources Committee, approved the decision to instruct officers to develop an in-house methodology for a calculating an overarching carbon budget for the Council Energy and Climate Plan; and progressing to break down allocation to Functions and/ or Clusters.
- 3.14 A carbon budget will be piloted for the first financial year of this plan. An indicative carbon budget has been calculated to align with Scottish Government interim target to reduce Scotland's greenhouse gases emissions by at least

75% by 2030 and calculated using a linear trajectory from our baseline year 2015/16. To keep on track will require a reduction in reported emissions of at least 48% lower than the baseline year, by 2025.

- 3.15 In dialogue with relevant officers, the pilot will trial an agreed carbon allocation with a number of Clusters, with allocations based on their influence on relevant policy and action.

4. FINANCIAL IMPLICATIONS

- 4.1 Council, on 3rd March 2020, approved the Council's Revenue Budgets for 2020/21 and Capital Programmes for 2020/21 – 2024/25 which contained funding commitments towards achieving net zero emission targets and climate resilience. This included funding for initiatives that will be delivered under this Plan, such as: fleet vehicle replacement, electric vehicle charging, energy efficiency, heating replacement, property refurbishment and improvements. These funding commitments will be revisited when the Council meets on 10 March 2021 to agree its 2021/22 Revenue Budgets and Capital Programmes for 2021/22 – 2025/26.

- 4.2 In addition, a range of external funding mechanisms are contributing to the delivery of projects. These include, but are not limited to, funding from: European Regional Development Fund for various projects relevant to the Buildings, Mobility and Other operations themes. The Energy Savings Trust, on behalf of Transport Scotland, to support the fleet transition. From the Low Carbon Infrastructure Programme Grant to support district heating expansion and from the Department for Business, Energy and Industrial Strategy (BEIS), Social Housing Decarbonisation Fund Demonstrator to support housing retrofit.

- 4.3 It is anticipated that further funding streams will become available in coming years. Where relevant, new external funding opportunities will be pursued during the course of this plan.

5. LEGAL IMPLICATIONS

- 5.1 Public Bodies Duties under Part 4 of the Climate Change (Scotland) Act 2009 require the Council, in exercising functions, to act in the way best calculated to:
- Contribute to delivery of the Act's greenhouse gas emissions reduction targets (referred to as mitigation).
 - In the way best calculated to help deliver Scotland's adaptation programme (Climate Ready Scotland).

- 5.2 The Council are in general to act in a way in which they consider to be most sustainable through actions and decisions.

- 5.3 The Scottish Government have set their own statutory targets for achieving net-zero emissions, for all greenhouse gases by 2045, with interim targets for reductions of at least 56% by 2020, 75% by 2030, 90% by 2040. It is towards these targets that the Council are to contribute.

5.4 For the next reporting year (1 April 2021 – 31 March 2022) and onwards, the Council are to report additional information in Climate Change Reports, including:

- Where applicable, any targets for reducing indirect emissions of greenhouse gases;
- Where applicable, provide the Council’s target date for achieving zero direct emissions of greenhouse gases.

In addition to this, the Council will also be required to provide the following information:

- Details of how the Council will align spending plans and use of resources to contribute to reducing emissions and delivering the Council’s emission reduction targets.
- Details of how the Council publishes its progress towards the reduction targets.
- Where applicable, the Council will need to detail to what extent it is contributing to the Scottish Government’s programme for emission reduction. Scottish Government guidance on the requirements is still to be published.

6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Failure to address climate risks in the delivery of Council strategic objectives and outcomes.	L	Delivery of this Plan, which includes actions on climate risk and embedding climate change in policy/ strategy.
Compliance	Failure to meet legislative requirements – specifically public bodies climate duties. Failure to keep abreast of legislative changes.	L	Ensure legal ramifications of regulatory changes are understood. Respond to relevant strategic and legislative consultations.
Operational	Lack of understanding on/ planned approach to climate risks affecting Council estate and operations. Insufficient resources to progress action. Competing priorities.	M	Delivery of this Plan. Governance, monitoring and review through the Council Climate Oversight Group.
Financial	Budget pressures - costs to develop/ implement climate change actions. Lack of funding to implement actions.	M	Identify and cost projects, where required to support the delivery of the plan. Unlock external funding opportunities. Collaborative

	Increased costs from failure to address climate risks.		working, where applicable, for economies of scale.
Reputational	Failure to address climate risks/ set a year for net zero corporate emissions. Risk if commitment conflicts with other Council decisions. Risk of delays to progress.	L	Delivery of this Plan. Governance, monitoring and review through the Council Climate Oversight Group. Embed climate change in service planning and decision making.
Environment / Climate	Failure to meet emission reduction target year. Approach is not sufficiently robust to support the financing, delivery and monitoring of internal carbon reduction and adaptation projects.	M	Plan will establish clear monitoring and reporting procedures. Identify sufficient projects to deliver carbon savings. Strategic Environmental Assessment screening for the plan has been undertaken.

7. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
Aberdeen City Council Policy Statement	The plan aims to reduce emissions and building climate resilience in the development/ operation of Council buildings, wider estate and operations. It is relevant to programmes in the Policy statement of: People: 1.Completion of school estate review (P1) and development of estate strategy for next 5-10 years (P2). 2. Development of four new primary schools – Tillydrone, Torry, Milltimber and Countesswells.10.Reduce fuel poverty across our most deprived communities through combined heat and power schemes, including the Energy from Waste Plant, and supporting community owned energy solutions. Place: 7. Build of 2,000 new Council homes. In addition, it aims to explore options that relate to the delivery of Place: 1. Build up our strength in hydrogen technology and 3. Refresh of the Local Transport Strategy.
Aberdeen City Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	The proposals in this report relate to the Council's own assets and operations. However, the development and delivery of Council net zero and resilience actions can indirectly support the delivery

	of LOIP Stretch Outcome 1 – <i>10% increase in employment across priority and volume growth sectors by 2026</i> . This seeks an increase in the number of people employed in growth sectors, including the energy sector.
Prosperous People Stretch Outcomes	The proposals in this report support the delivery of stretch outcome 11 - <i>Healthy life expectancy (time lived in good health) is five years longer by 2026</i> . Actions to reduce carbon emissions; and protect and improve the environment can have a positive impact on health and wellbeing.
Prosperous Place Stretch Outcomes	The proposals in this report support the delivery of stretch outcome 14 - <i>carbon emissions reduction by 42.5% by 2026 and adapting to the impacts of our changing climate</i> . It can contribute to stretch outcome 15 – <i>38% of people walking and 5% of people cycling as main mode of travel by 2026</i> .
Regional and City Strategies	The proposals within this report support Council contribution to a wide number of regional and city strategies, indicated as drivers in the plan. Most specifically, reducing Council emissions contributes to the wider delivery of the Net Zero vision for Aberdeen and Net Zero Council actions under the supporting Strategic Infrastructure Plan – Energy Transition. Actions to increase Council climate resilience contributes to Aberdeen Adapts; the city Climate Adaptation Framework.
UK and Scottish Legislative and Policy Programmes	The report is relevant to the Climate Change Act 2008. It sets out a planned approach to meeting climate duties under the Climate Change (Scotland) Act 2009 and Scottish emission targets set out in the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. The Plan is also relevant to a range of legislation, policy and programmes which is indicated in the drivers for the plan.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Assessment completed.
Data Protection Impact Assessment	Not required.
Strategic Environmental Assessment	Strategic Environmental Assessment, Screening completed. Statutory consultees Scottish Environment Protection Agency (SEPA), Nature Scot and Historic Environment Scotland were in agreement a full SEA is

	not required for the plan. Indicated in a Screening Determination , available on the Council website.
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9. BACKGROUND PAPERS

- Council, 3 March 2020: General Fund Revenue Budget and Capital Programme 2020/21 – RES/20/065
- Urgent Business Committee, 6 May 2020: Council Energy and Climate Routemap – PLA/20/082
- Urgent Business Committee, 6 May 2020: Net Zero Vision and Infrastructure Plan – PLA/20/088
- City Growth & Resources, 28 October 2020: Climate Change Report 2019/20 – COM/20/152

10. APPENDICES

Appendix 1 Council Climate Change Plan 2021-2025

Appendix 2 Project Register Summary

11. REPORT AUTHOR CONTACT DETAILS

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