

# Environment, Sustainability and Biodiversity Plan 2021-2025

Our Route Map to Net Zero

ACCOUNTS COMMISSION 

AUDITOR GENERAL 

Prepared by Audit Scotland  
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# Contents

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Executive summary	3
Foreword	4
Our achievements so far	6
Our pathway to net zero	10

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# Executive summary

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- 1.** This environment, sustainability and biodiversity plan covering 2020/21 to 2024/25 sets an ambitious agenda for improving our carbon management. It reflects our commitment to become a world-class audit organisation.
- 2.** During the period of our last five-year Climate Change Plan, we reduced our emission levels by 37 per cent, from 343 tonnes of Carbon Dioxide-equivalent (tCO<sub>2</sub>e) in 2014/15 to 215 (tCO<sub>2</sub>e) in 2019/20. Based on our progress to date, we are capable of achieving the Scottish Government's emission reduction targets that every public body should achieve net zero carbon emissions by 2045. But we want to do better than that and this plan therefore sets out our ambition to achieve net zero by 2030.
- 3.** Key areas of focus in the new plan include further reductions in our travel and energy use, embedding staff awareness and behavioural change in carbon reduction issues, and considering the potential for carbon offsetting measures.

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# Foreword

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**4.** Climate change has become a rapidly evolving issue at the centre of world attention. Tackling climate change is an increasing policy priority, reflected in recent Scottish Government policies and strategies such as the 2020 Programme for Government and 2021 Infrastructure and Investment Plan.<sup>1</sup> In 2019, the Scottish Government declared a climate emergency and announced its commitment to achieve Net Zero carbon emissions by 2045, five years earlier than the rest of the UK.

**5.** The concept of Net Zero was a product of the 2016 Paris Agreement, which saw 188 countries and territories commit to reducing carbon emissions. Net Zero carbon means taking the same amount of carbon out of the atmosphere as we generate: either through sequestering it by measures such as increased tree planting or restoring peatland; or through use of technology, such as carbon capture and storage. Overall, the aim of achieving Net Zero is to keep global temperature increases to below 2 degrees Celsius compared to pre-industrial levels, and to continue efforts to limit the increase to 1.5 degrees Celsius.

**6.** The Scottish Government expects all public bodies, including Audit Scotland, to set an example for others to follow in reducing carbon emissions. Since 2009, Scotland's public bodies have been legally required to act in the way best calculated to contribute to the delivery of Scottish Government emissions reduction targets. The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 sets out that public bodies will be required to provide in their annual reports:

- where applicable, the body's target date for achieving zero direct emissions of greenhouse gases, or such other targets that demonstrate how the body is contributing to Scotland achieving its emissions reduction targets
- where applicable, targets for reducing indirect emissions of greenhouse gases
- how the body will align its spending plans and use of resources to contribute to reducing emissions and delivering its emissions reduction targets
- how the body will publish, or otherwise make available, its progress to achieving its emissions reduction targets

<sup>1</sup> [Protecting Scotland, Renewing Scotland](#), Scottish Government, September 2020. [Infrastructure Investment Plan for Scotland 2021-22 to 2025-26](#), Scottish Government, February 2021.

**7.** This plan begins to address these requirements by setting out the actions we will take over the five-year period to further reduce our carbon emissions, most of which are office or travel-related. There is, of course, significant uncertainty at the moment caused by the Covid-19 pandemic and its impact on our working patterns. Our staff have been working from home for the past year and it is highly unlikely, supported by staff surveys, that we will return to full office-based operations in the foreseeable future. While this plan sets out indicative targets for reducing emissions over the next five years, our targets and progress will need to be subject to periodic review as our future ways of working evolve over time.

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# Our achievements so far

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**8.** Audit Scotland's Climate Change Plan 2015/16 to 2019/20 defined the scope of our carbon emissions as being those generated by our estate and in the purchase of goods and services over which we have control, and the availability of good quality data. This meant that we counted emissions such as those associated with our use of power and water, our use of paper, waste disposal and travel. It also meant that indirect emissions, such as those incurred in home working, in staff commuting and by third-party service providers, were omitted from our emission calculations.

**9.** Using this definition, the Climate Change Plan set out a 2019/20 target to reduce our carbon emissions by 15 per cent against the 2014/15 baseline. As reported in our [Environment Sustainability and Biodiversity annual report 2019/20](#), we managed to reduce our emissions over the period by 37 per cent against the 2014/15 baseline. Our 2019/20 emissions amounted to 215 (tCO<sub>2</sub>e).

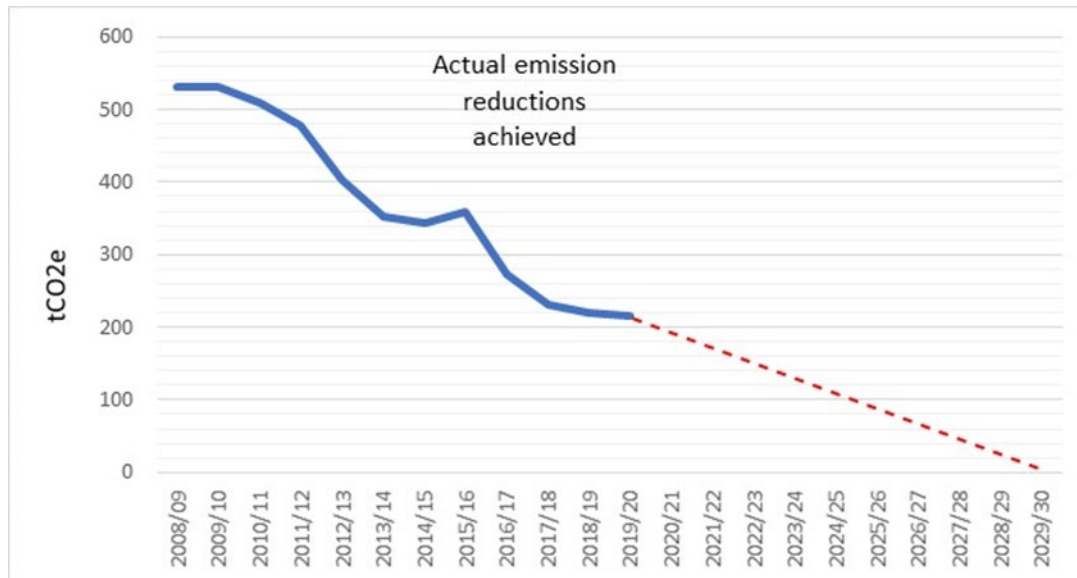
**10.** Transport and energy are our biggest sources of carbon emissions. We have reduced travel related emissions by 40 per cent since 2014/15, mainly through reducing the overall amount of travel and by a switch to greater use of rail travel. Our energy-related emissions have reduced by 29 per cent over the same period, through measures such as using use thin client terminals and laptops that collectively use less energy than traditional desktop computers; using thermostats to regulate office temperatures and ceiling lights that automatically turn off after a period of inactivity in an area.

## Our emission reduction target for 2020/21 to 2024/25

**11.** While we have nearly 25 years to achieve the Scottish Government's target date of net zero by 2045, equivalent to an annual reduction of less than 10 (tCO<sub>2</sub>e) compared to 2019/20 emissions levels, we want to demonstrate leadership in this area by setting a target to achieve net zero by 2030. This will necessitate an annual reduction in our emission levels of around 25 (tCO<sub>2</sub>e) over the period. There is no doubt that this will be a challenging target to achieve, requiring a rate of reduction not dissimilar to what we have achieved over the last decade ([Exhibit 1](#)).

## Exhibit 1: Audit Scotland's route to net zero

We have achieved our carbon reduction targets so far but reaching net zero emissions by 2030 will still be challenging



Source: Audit Scotland

**12.** The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 requires Scottish ministers to ensure that by 2030 net emissions are 75 per cent lower than in the baseline year of 2008. Converting that into our figures, would mean us reducing our emissions to 133 (tCO<sub>2</sub>e) by the same date.

**13.** Our staff demonstrated amazing dedication and resilience to deliver our work programme over the last year while working from home. The experience showed that we do not need to be in the office as nearly as often as we may have once thought and that producing quality audit while working away from client offices can be done. Our modelling of potential future emissions suggests that further reductions, particularly those generated through car travel, could be possible and help us deliver the target of 133 (tCO<sub>2</sub>e) ([Exhibit 2](#)).

## Exhibit 2: Modelled emission levels 2020/21 to 2029/30

Further reductions in emissions from travel and energy usage are still possible over the next decade but will not deliver net zero on their own

	2019/20	2024/25	2029/30	Notes
<b>Travel</b>				
<b>Car</b>	51	35	15	1
<b>Rail</b>	22	20	20	2

<b>Flights</b>	42	34	25	3
<b>Other transport</b>	3	3	3	4
<b>Energy</b>	89	79	65	5
<b>Water</b>	1	1	1	6
<b>Refuse</b>	5	3.7	2	7
<b>Recycling</b>	2	2	2	8
<b>Total</b>	215	178	133	

**Notes:**

1. Assumes 63% reduction in leased car miles, 67% reduction in non-leased car miles, giving 65% reduction in overall miles travelled. Move toward use of hybrid and electric car models is also assumed. Does not include addition of commuting as we do not have the data.

2. Assumes a 25% reduction in Glasgow-Edinburgh journeys due to less travel, and a 4% increase in other rail travel to compensate for reduced car usage.

3. Assumes a 34% reduction in flights to islands, 5% decrease in flights to mainland UK, and no international flights.

4. Further reductions unlikely.

5. Assumes 2% annual reduction in emissions.

6. Further reductions unlikely.

7. Assumes 8% annual reduction in emissions.

8. Further reductions unlikely.

Source: Audit Scotland

**14.** Nevertheless, it would be wrong to assume that all travel and energy usage could be eliminated. Our strategy for getting to net zero by 2030 is therefore based on:

- Further reductions in emissions from the things we do now, such that emissions are no more than 133 (tCO<sub>2</sub>e) by 2030.
- Using offsetting measures, such as tree planting, to deliver the remaining level of emission reductions required to get us to net zero by 2030.



- Further offsetting to eliminate the effects of activities which we previously excluded from the scope of our carbon emissions, such as commuting and working from home.

**15.** As an interim measure, and for the period covered by this plan, our target is to reduce emissions by 17 per cent compared to 2019/20 levels to no more than 178 (tCO<sub>2</sub>e) by 2024/25. While this is no more than the modelled levels of emissions from current activities set out in Exhibit 2, the interim target reflects:

- Our desire to be seen to be doing everything we can to reduce our emissions and not to be using carbon offsetting as an 'easy way out'.
- Current uncertainties around Scottish Government expectations as to what offsetting will be acceptable. While we will investigate the potential for offsetting during the life of this plan, we consider it prudent not to include in our calculations emission reductions from offsetting before the start of the next five-year plan.
- Current uncertainties around future working patterns and how these may affect levels of emissions.

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# Our pathway to net zero

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**16.** As noted above, there is some uncertainty at the moment as to our future ways of working and the extent to which we work from office or home. Progress against our emission target, and its appropriateness, will be kept under review as new patterns emerge. But it is clear that achieving net zero will require significant changes in organisational culture, behaviours, and mindset. Companies that have been successful in becoming carbon neutral, such as McCarthy have put carbon neutrality at the core of their identity, which then translates into goals and effective actions. Sustainability is a central pillar of our recently launched Strategic Improvement Programme. Reducing carbon emissions is a core part of this with environmental impact being one of the main drivers for change.

**17.** Our focus over the duration of this plan will be to further reduce travel and energy as these are our largest sources of emissions. We need also to consider how best to measure and reduce indirect emissions, develop proposals for carbon offsetting and to ensure staff are fully engaged with our pathway to net zero. Key activities, which will require approval by Audit Scotland's Board and/or Management Team, will include:

## Travel

- Explore the potential for setting travel targets for each business group, aimed at reducing the overall amount of travel carried out.
- Work with HR, Finance and PCS to consider how best to develop the car lease scheme such that car options are limited to only hybrid or electric vehicles.
- Consider re-introducing a cycle-to-work scheme – and keeping it open.

## Office-based emissions

- Establish working groups with landlords and other tenants of our offices to explore options to reduce office-based emissions, for example moving from the use of fossil fuels to 100 per cent renewable energy sources and reducing un-recycled waste.
- Ensure carbon emissions are clearly taken into account in any future consideration of office space needs.

## Measuring and reducing indirect emissions

- Explore ways to measure emissions associated with remote working and commuting mileage and develop proposals for their reduction.
- Explore ways to measure emissions associated with our supply chain, including private sector auditors, and set targets for their reduction.

- Consider procurement practices such that potential contractors are required to demonstrate their own commitment to achieving net zero.

### **Carbon offsetting**

- Identify potential carbon offsetting projects, their costs and likely benefits. Implement projects as appropriate.

### **Organisational working practices and culture**

- Consider the need to appoint a 'Sustainability Manager' dedicated to managing the projects and leading the drive to reduce our emissions.
- Embed emission reductions as part of the Audit Scotland Strategic Improvement Programme.
- Review lessons learned from recent office-wide experience of working from home with a view to identifying policies and operational needs, eg IT required to support reduced traveling to client offices and increased remote working.
- Develop carbon reduction awareness training as part of staff induction and rolling this out to all staff.
- Explore options for including sustainability and carbon emission reduction as part of one-to-one and 3D discussions to increase staff awareness and to allow discussion of individual working practices.
- Continue to participate in Climate Week Scotland to promote awareness of sustainability issues.
- Engage with the administrators of the Lothians Pension Fund, as our main pension provider, to raise the profile of carbon neutral investment.

### **Learning from others**

- Partake fully in the Net Zero Working Group involving representatives from all UK audit agencies to discuss approaches to achieving net zero and share learning.

### **Governance and public reporting**

- Consider whether carbon reduction is adequately reflected in our risk management arrangements, including reporting to Audit Scotland's Board and Management Team.
- Develop our annual reporting, such that we comply fully with the requirements of the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020.

**18.** The Appendix provides a timeline of how we will take these projects forward.

# Appendix

## Planned projects for reducing our emissions

	2021/22	2022/23	2024/25	2029/30
<b>Vision</b>	<b>Continue to reduce emissions from current activities</b>			<b>Achieve Net Zero (15 years ahead of legislative requirements)</b>
<b>Policy / strategy</b>				
<b>Green Future Team Actions</b>	Environment Sustainability and Biodiversity (ESB) plan to 2024/25		ESB plan to 2029/30	ESB plan to 2030/35
<b>SIP Actions</b>	Embed emission reductions in organisational culture			
<b>Green Future Team Actions</b>		Develop offsetting strategy and projects	Implement offsetting strategy and projects	
<b>SIP Actions</b>	Explore carbon budget setting by business group	Establish monitoring and data collection systems	Establish budgets and monitor	
<b>HR &amp; GFT Actions</b>	Identify staff training needs	Develop training for new starts as part of induction	Roll out training for all staff	
	Explore link to considering emissions as part of 3D discussions		Implement recommendations of discussions	

Green Future Team Actions	Explore volunteering opportunities	Roll out
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**Infrastructure**

**Buildings**

SIP Actions	Explore the size of estate we need
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Actions for all	Work with Landlords to agree way forward to remove fossil fuel from heating
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**Energy**

Green Future Team Actions	Identify projects to reduce emissions year-on-year
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Green Future Team Actions	Establish methodology for Home working emissions	Collect data	Report
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**Transport**

Actions for all	Reduce overall travel mileage year-on-year
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HR & GFT Actions	Consider reduced fleet options	Implement findings
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HR & GFT Actions	Convert fleet to hybrid/electric	Implement findings
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Actions for all	Reduce train travel	Collect data and report annually
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Actions for all	Reduce air travel	Commit to no long-haul flights
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Green Future Team Actions	Establish methodology for commuting mileage
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## Waste

BSS Actions	Establish net zero supply chain measurement and circular economy principles
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BSS Actions	Reduce office waste
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BSS Actions	Increase percentage of consumables that are recyclable
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## Stakeholders

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### Audited bodies

Business Group Actions	Reduce our impact by less working on client sites
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Business Group Actions	Explore how we audit sustainability in audit bodies	Deliver Audit
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Green Future Team Actions	Work with other audit agencies to explore joint working and networking
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BSS Actions

Establish joint working groups  
with other tenants and  
landlords

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Green Future Team Actions

Explore partnerships for  
biodiversity and sustainability

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# Environment, Sustainability and Biodiversity Plan 2021-2025

## Our Route Map to Net Zero

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

[www.audit-scotland.gov.uk/accessibility](http://www.audit-scotland.gov.uk/accessibility)

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