

Environment, Sustainability and Biodiversity

Annual report 2021/22



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Covid-19 statement

During the period of this report (April 2021 to March 2022), Audit Scotland's offices were mainly closed and colleagues worked from home owing to the Covid-19 pandemic. With colleagues working from home, the amount of travel in the year is significantly reduced from pre-pandemic levels. We include all business travel mileage but do not record commuting mileage. We are building a tool to record commuting mileage and will implement this in 2022/23. We have included the estimated additional emissions created by colleagues working from home.

Colleagues have indicated a preference to move to hybrid working as we emerge from the pandemic and we will review and develop our systems accordingly.

For further information visit our [Covid-19 e-hub](#) on Audit Scotland's website.

Summary

Key messages

- 1.** During 2021/22 our emissions fell by 31 tCO₂e (19 per cent) compared to the previous year. We have reduced our emissions by 401 tCO₂e from the 2008 baseline of 533 to 132 tCO₂e. This is a 75 per cent reduction and we will continue to make emissions reduction our key priority.
- 2.** In March 2020 all colleagues were asked to work from home and they continued to do so for the period of this report. There was limited office working and very limited business or commuting travel during the period covered by this report. We include all business travel mileage but do not record commuting mileage. We are building a tool to record commuting mileage and will implement this in 2022/23.
- 3.** We include estimates of energy emissions caused by colleagues working from home in our calculations. This is based on the Sustainable Scotland Network (SSN) recommended method.

Background

Planning

- 4.** Audit Scotland began measuring carbon emissions in 2008 and since then we have developed our strategy for reducing carbon emissions. The years between 2008-20 focused on reducing the size of our estate and projects to reduce our emissions through efficient use of digital information technology.
- 5.** Our first [Climate Change Plan \(2015-20\)](#) set a target, by 2020, to reduce our emissions from the baseline level of 533 tCO₂e to less than 292 tCO₂e. We went further than our target and recorded 215 tCO₂e.
- 6.** A review of the initial plan was put on hold in 2020 owing to the pandemic and in May 2021 we published our new [Environment, Sustainability and Biodiversity Plan 2021-2025 \(ESBP\)](#). The ESBP continues to reflect our emissions reduction aspirations as well as introducing a focus on reaching net zero. When Scottish Government guidance on the use of offsetting is updated, we will consider the suitability of this approach to support our aim of achieving net zero by 2030.

7. We remain committed to further reducing our carbon emissions and making how we work more sustainable. Prior to the pandemic, we made significant progress in reducing our emissions through reducing the size of our estate, reducing the amount of travel and by reducing energy consumption through more efficient equipment and moving to cloud-based digital services. The ability to continue to make sizeable reductions will largely depend on advances in technology.

8. The notable challenge we face is reducing emissions from our energy and transport use. Steps required to support this include removing natural gas from in heating the offices we rent and not returning to pre-pandemic travel levels.

Governance

9. [Appendix 1](#) outlines how the governance of climate change issues is incorporated into our work. Through this framework we will review the impact of the pandemic on our working and travel patterns to determine lessons that can be used to encourage behavioural change and prevent a return to previous levels of travel.

10. Sustainability is integrated into what we do and how we work, and is linked to corporate publications published on our [website](#) including our [Annual report and accounts](#), [Public audit in Scotland](#), and [Corporate Plan 2022/23 update](#).

11. Audit Scotland has a clear structure for managing climate change activity. The Audit Scotland Board, following consideration by Audit Scotland's Executive Team, approves our climate change plans and carbon-saving targets. This approach ensures approval and clear leadership at the highest level. The Green Future Team, comprising representation from across the business, provides momentum for embedding sustainability across the organisation.

12. Audit Scotland's Strategic Improvement Programme (SIP) includes a wide range of development projects designed to help us deliver our two strategic objectives set out in the [Corporate Plan](#). One of the guiding principles of the SIP is environmentally sustainable practices and carbon reduction. And one of the workstreams in 'How we work' is sustainability.

13. The roles and responsibilities of the groups involved in leading, managing and holding us to account for our environmental and sustainability performance are set out in [\(Appendix 1, page 17\)](#).

Publications

As set out above, we published our ESPB in May 2021. This plan sets out our route map to net zero. By 2030 we aim to reduce our carbon emissions by 75 per cent against the 2008/09 baseline (533 tCO₂e) which equates to an annual emission figure of no more than 133 (tCO₂e).

14. In June 2021, the Auditor General for Scotland published a blog [Making climate change an audit priority](#) that sets out the challenges for the public sector in tackling climate change and the role audit could play in this.

15. In July 2021, Audit Scotland held a roundtable to help inform our approach to auditing climate change. We published an [Auditing climate change - update](#) in October 2021 which sets out principles of how we will work in this area and the implications for our future work.

16. In March 2022, Audit Scotland published [Addressing climate change in Scotland](#) report that set out key themes identified in the published recommendations for the public sector in Scotland.

Performance in reducing carbon emissions to date

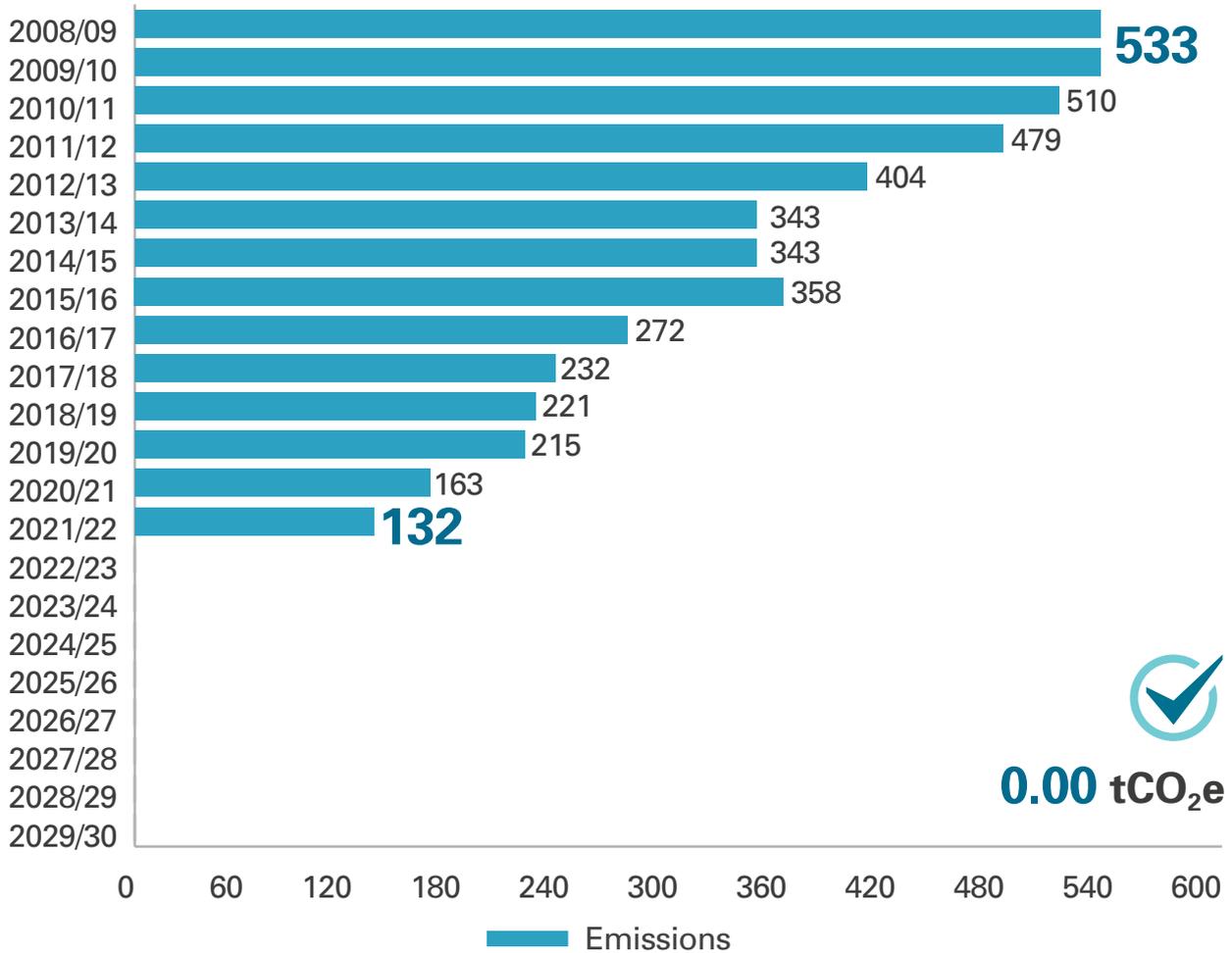
17. Our ESBP sets out our approach to sustainability issues and sets targets to be achieved, against the baseline year 2008/09, by 2025.

18. The ESBP was published at a time of great uncertainty owing to the Covid-19 pandemic. While the pandemic is moving to an endemic phase, it is still affecting the way we work and it is too early to determine the long-term impact this will have.

19. In 2021/22 we achieved our target of 133 (tCO₂e [\(Exhibit 1, page 7\)](#)). However, our offices were largely closed during this period and the impact of the Covid-19 pandemic is still affecting the way we work, with colleagues opting to hybrid work but still mostly from home. So, it is not clear if this level of emissions will be sustained as more colleagues start to work more often from our offices.

Exhibit 1.

Audit Scotland's route to net zero



Note. The increase in carbon emissions in 2015/16 was due to the finalisation of our office rationalisation programme. During the transition year we occupied additional office space before reducing from two Edinburgh offices to one.

Source: Audit Scotland

Performance in 2021/22

Our overall carbon emissions

20. Our total emissions for 2021/22 were 132 tCO₂e. This is 31 tCO₂e less than last year's emission levels largely due to a reduction in energy emissions and a small reduction in water emissions. Our 2021/22 emission levels represent a 75 per cent reduction compared to the 2008/09 baseline.

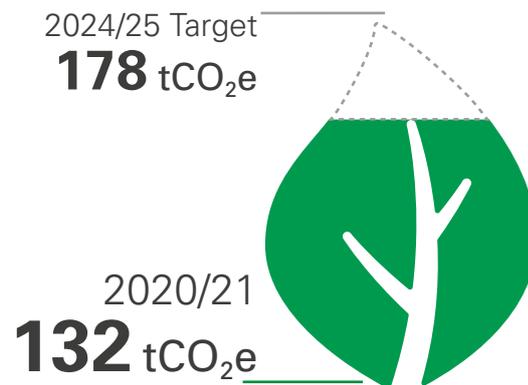
21. We are still experiencing the impact of the pandemic through the way colleagues are moving to a more hybrid approach to working. Owing to the ongoing uncertainty, we have not amended the targets set out in our plans for the period 2021-25.

Carbon footprint

Target: Reduce annual overall carbon emissions to no more than 178 tCO₂e by 2024/25.

Performance to date: Our carbon emissions in 2021/22 were 132 tCO₂e.

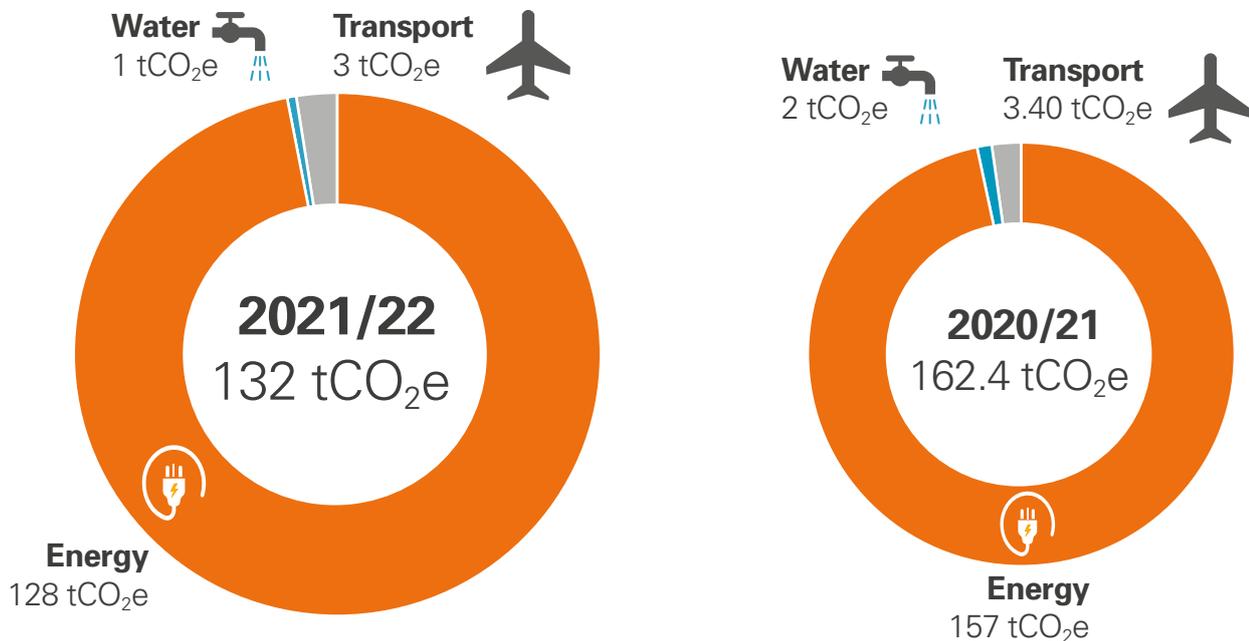
Summary: Compared to 2019/20 we reduced our carbon emissions by 24 per cent. This was achieved in exceptional circumstances and we will aim to learn from our experiences to help further reduce our emissions when we do return to our offices.



22. The breakdown of our 2021/22 emissions compared to 2020/21 is shown in [Exhibit 2 \(page 9\)](#).

Exhibit 2.

Carbon footprint 2021/22 compared to last year



Source: Audit Scotland

23. Our emissions reduction of 31 tCO₂e in 2021/22 comprised:

- 30 tCO₂e **decrease** in **energy-related** emissions
- no change in **transport** emissions
- **waste** emissions - not recorded (as in 2020/21)
- 1 tCO₂e **decrease** in **water** emissions.

24. Performance details are included in the energy, transport, waste and water sections below and [Appendix 2 \(page 19\)](#) outlines the sources of Audit Scotland's carbon emissions.

25. All colleagues mostly worked from home during 2021/22 but the offices were still maintained. To capture a comprehensive picture of our emissions, we have included an estimate for energy usage due to colleagues working from home. As we did in 2020/21, we estimated the home-working emissions based on the formula recommended by the Sustainable Scotland Network.

26. We continue to make some progress in reducing our carbon emissions but recognise that as we move into a hybrid way of working, we will need to continue to innovate and adapt to further reduce our emissions. We will continue to monitor the changes in working and travel patterns to help us identify ways of reducing emissions further.

Energy

Target: Reduce annual energy-related carbon emissions to no more than 79 tCO₂e by 2024/25.

Performance to date: Our energy-related carbon emissions in 2021/22 were 128 tCO₂e.

Summary: We recorded 34 tCO₂e emissions for our three offices and have calculated an additional 94 tCO₂e emissions for our home-working emissions. The estimated emissions for home working are based on the method recommended by SSN.



27. Energy usage comprised the largest proportion of our emissions in 2020/21. This is due to the combination of home working and maintaining our three offices. Energy emissions ([Exhibit 3](#)) decreased by 19 per cent (29 tCO₂e) in 2021/22 compared to 2020/21.

28. The decrease in energy emissions is due to a combination of a reduction in the amount of natural gas used, a small decrease in emission factors and possibly the average temperatures across the year.

Exhibit 3. Energy-related carbon emissions

	2008/09 Baseline	2021/22 Emissions	2024/25 Target
Energy-related carbon emissions (tCO ₂ e)	308	128	79
Change in emissions compared to 2008/09 baseline.		- 180 (tCO ₂ e) - 58%	- 229 (tCO ₂ e) - 74%

Source: Audit Scotland

29. Energy consumption is an area where we are only likely to make small changes by maximising efficiencies and making use of advances in technology. The significant barrier to future reductions is the use of natural gas as our primary heating source.

30. Audit Scotland is a tenant in our offices and we do not own or manage land. We therefore have limited options in changing our heating equipment or to install more sustainable technologies. We will continue to explore ways to reduce our energy consumption and to work with other tenants and landlord as technologies develop in this area.

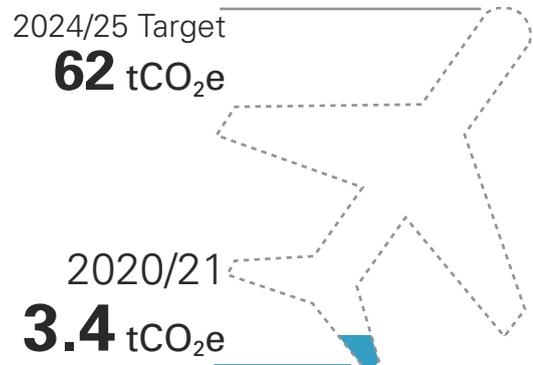
Reducing our transport-related carbon emissions

Transport

Target: Reduce annual transport-related carbon emissions to no more than 62 tCO₂e by 2024/25.

Performance to date: Our transport-related carbon emissions in 2021/22 were 3.4 tCO₂e.

Summary: There was minimal amount of travel during 2021/22 owing to Covid-19 pandemic and colleagues working from home during this period.



31. We travelled just under 22,500 km in 2021/22 and emissions remained at almost 3.4 tCO₂e, the same as 2020/21 ([Exhibit 4](#)). We travelled 9,343 km by car, 7,458 km by rail, 445km by taxi and 5,203 km by air travel.

Exhibit 4. Transport-related carbon emissions

	2008/09 Baseline	2021/22 Emissions	2024/25 Target
			
Transport-related carbon emissions (tCO₂e)	216	3.4	92
Change in emissions compared to 2008/09 baseline.		- 213 (tCO ₂ e) - 98%	- 124 (tCO ₂ e) - 57%

32. As we move into a hybrid way of working, we will continue to monitor the changes in working and travel patterns to help us identify ways of reducing emissions further.

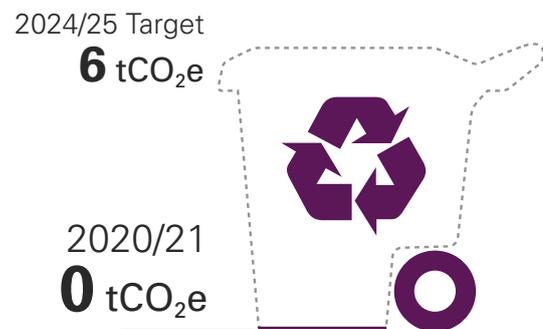
Reducing our waste and water-related carbon emissions

Waste

Target: Reduce waste-related carbon emissions to no more than 6 tCO₂e by 2024/25.

Performance to date: Our waste-related carbon emissions in 2021/22 were 0 tCO₂e.

Summary: We recorded no waste data for 2021/22 as there was no one in our offices and we do not have the data for home working.



33. There were no waste, paper and board, mixed recycling or landfill emissions data for 2021/22 and, as we did last year, we have recorded zero emissions for this.

34. Emissions for water fell by 1.26 tCO₂e in 2021/22 compared to the previous year. Emissions from water use are calculated based on the number of workstations in our offices and during the pandemic all colleagues worked from home. This increased the number of workstations to 313 compared to 292 in 2020/21. A reduction in the emission factors offset the small increase in workstations.

Validation of figures

35. Audit Scotland's Corporate Performance Officer reviews the data contained within this report. It is not subject to peer review or external validation.

Procurement

36. We focus on embedding sustainability into our procurement activity and we include sustainability clauses in our procurement standard terms and conditions.

37. To date we have not included supply chain emissions in our calculations and in line with best practice in this area, one of our intended projects is, by 2025, to review how we will include these emissions in our future reports.

Adaptation

38. As a listed body under Schedule 1 of the Climate Change (Scotland) Act 2009, Audit Scotland is required to report on climate adaptation. Adaptation is the adjustments we make in response to actual or anticipated climate change. Projected effects of climate change include higher temperatures, increased rainfall and more frequent floods and landslides.

39. We do not own our offices and do not own or manage any land and our ability to make adaptations is therefore very limited.

40. To ensure that we can continue to deliver our core business in the event of extreme climate events we have well-established business continuity planning (BCP) arrangements. The BCP is reviewed and tested annually. Owing to the Covid-19 pandemic, all staff worked from home for at least the majority of the reporting period and were able to securely access their business information from outside our offices.

Biodiversity

41. The Nature Conservation (Scotland) Act 2004 places a statutory duty on all public sector bodies in Scotland to further the conservation of biodiversity. The Wildlife and Natural Environment (Scotland) Act 2011 introduced a requirement for all public bodies to make a report publicly available on their compliance with biodiversity duty. Biodiversity duty reports are required every three years, but we intend to report on biodiversity annually within this annual environment and sustainability report.

42. Audit Scotland does not own or manage land and we therefore have limited opportunity to carry out activities which encourage biodiversity. We support biodiversity through:

- reducing our carbon footprint
- minimising waste and reducing waste to landfill through recycling
- using products made from recycled material including office supplies such as Ecolabel certified paper and pens
- reducing the total kilometres travelled on business and choosing more sustainable travel options
- raising awareness of biodiversity and sustainability issues among colleagues.

Looking ahead

43. Since 2011 we have published an annual report on our progress in reducing our climate emissions on the [Audit Scotland website](#). We note that the last two years are exceptional years and emissions, particularly those arising from transport, may be artificially low. We expect travel emissions to increase when the full impact of hybrid working is identified.

44. Staff surveys have indicated that a majority of colleagues will adopt a hybrid method of working, with some days spent in the office and others working from home. The extent of office working relative to home working, and therefore the impact on our emission levels, is currently difficult to predict. Hybrid working may lead to an increase in our emissions as we continue to operate our offices and include the emissions created by home working. Future working practices will likely give rise to several issues around data collection for home working and commuting which we are currently considering.

45. We expect that future emission reductions will not happen at the same rate as before and will be harder to achieve, given progress to date. We will seek to identify ways to continue reducing our carbon emissions as much as possible.

46. Our target for 2024/25 is based on a 75 per cent reduction from our baseline year of 2008/09. We have achieved this target but will monitor changes as we adapt to new ways of working.

47. Our focus is on reducing travel and energy emissions, considering our wider social impact and increasing staff awareness of environmental issues.

48. We have demonstrated that a significant decrease in travel is possible but recognise that a balance is needed to allow colleagues to continue to complete their work efficiently and effectively.

49. Our ESBP identifies a range of projects and where the responsibility for those projects resides within the organisation.

Environment, Sustainability and Biodiversity Plan projects

Key

Strategic Improvement Programme (SIP), All colleagues (All), Green Future Team (GFT) Business Support (BSS), Business Groups/ departments (BGs)

Policy development

- Continue to reduce emissions from current activities. (ALL)
- Embed emission reductions in organisational culture. (GFT/All)
- To raise awareness of climate change, we will develop training for new starts as part of their induction process and roll out training for all staff from November 2022. (GFT and BGs)

Infrastructure - Buildings

- Explore the size of estate we need. (SIP)
- Work with landlords to agree ways forward to reduce or remove fossil fuel from heating. (BSS)

Infrastructure - Energy

- Identify projects to reduce emissions year-on-year. (GFT & BSS & BGs)
- Establish methodology for home-working emissions. (GFT)

Transport

- Reduce overall travel mileage year-on-year. (ALL)
- Consider reduced fleet options. (BGs)
- Convert fleet to hybrid/electric. (BGs)
- Reduce train travel. (BGs & All)
- Reduce air travel. (BGs & All)
- Establish methodology for commuting mileage. (GFT)

Waste

- Establish net zero supply chain measurement and circular economy principles. (GFT)
- Reduce office waste. (All)
- Increase percentage of consumables that are recyclable. (BSS)

Stakeholders

- Reduce our impact by less working on client sites. (BGs)
- Explore how we audit sustainability in audit bodies. (BGs)
- Work with other audit agencies to explore joint working and networking. (GFT)
- Establish joint working groups with other tenants and landlords. (BSS)
- Explore partnerships for biodiversity and sustainability. (GFT)

Appendix 1

Environmental and sustainability governance arrangements

Audit Scotland Board

Membership: The Auditor General for Scotland, the Chair of the Accounts Commission and three members appointed by the Scottish Commission for Public Audit.

Role: The board is responsible for the exercise of all functions of Audit Scotland. It exercises its powers and authorities through a Scheme of Delegation, which it determines and approves. Under the Scheme of Delegation, the board formally approves Audit Scotland's Climate Change Plan. It receives annual updates on performance against the plan's targets and objectives, thereby holding Audit Scotland to account for their performance.

Executive Team

Membership: The Auditor General for Scotland, Audit Scotland's Chief Operating Officer, Executive Director of Audit Services, the Controller of Audit/ Executive Director of Performance Audit and Best Value and Executive Director of Innovation and Quality. The Chief Operating Officer is the project sponsor for Audit Scotland's Climate Change Plan.

Role: Executive Team is responsible for strategic direction-setting for sustainability (including project sponsorship); suitable resource allocation; and oversight and scrutiny of the implementation of Audit Scotland's Climate Change Plan.

Strategic Improvement Programme

Membership: The Programme Board consists of members of the Executive Team.

Role: Strategic Improvement Programme is managed by a Programme Board that reports to the Audit Scotland Board

Green Future Team

Membership: A senior member of staff chairs the group and is responsible for leading and driving improved sustainability in Audit Scotland. Representatives from across the business groups make up the team.

Role: The team is the key forum for the operational planning and delivery of climate change activity and improving sustainability performance within Audit Scotland. Its role includes oversight of carbon management projects, data collection, communication and training. It acts as a bridge between Executive Team and individual business groups and has a key leadership role through its cross-departmental membership.

Business groups (Audit Services, Performance Audit and Best Value, Innovation and Quality and Corporate Services)

Audit Scotland's business groups are pivotal in ensuring that Audit Scotland meets its climate change obligations and continuously improves its environmental performance. It is through the actions of all staff that we can make the greatest difference.

Appendix 2

Sources of Audit Scotland's carbon emissions 2021/22

Category	Carbon emissions (tCO ₂ e)
Grid electricity	26.81
Natural gas	7.01
Flights - domestic	1.28
Car travel	0.57
Rail	0.26
Car - unknown fuel - average	1.13
Flights - long haul	0
Taxi	0.09
Water - treatment	0.22
Water - supply	0.47
Working from home	93.9
Total	132

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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

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