

## AGENDA ITEM NO 7

REPORT NO 234/15

### ANGUS COUNCIL

#### POLICY AND RESOURCES COMMITTEE - 9 JUNE 2015

#### CONSULTATION ON PROPOSED DRAFT CLIMATE CHANGE (REPORTING ON CLIMATE CHANGE DUTIES) (SCOTLAND) ORDER 2015: REQUIRING SPECIFIED PUBLIC BODIES TO PREPARE ANNUAL REPORTS ON COMPLIANCE WITH CLIMATE CHANGE DUTIES

#### REPORT BY VIVIEN SMITH - HEAD OF PLANNING AND PLACE

#### ABSTRACT

**Appendix I** contains a response to the Scottish Government regarding their proposal to implement mandatory reporting of our compliance with climate change duties.

#### 1. RECOMMENDATION

It is recommended that the Committee:

- (i) Homologate the contents of this report which was submitted to the Scottish Government as Angus Council's response on 29 May 2015.

#### 2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

This report contributes to the following local outcome contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Our carbon footprint is reduced.

#### 3. BACKGROUND

The public sector in Scotland has a good track record of voluntarily publishing annual climate change or sustainability reports. All 32 Councils have published Climate Change Declaration (SCCD) reports for the past five years. The Scottish Government is now proposing to make this a mandatory requirement.

The climate change public bodies duties came into force on 1 January 2011. They apply to all Scottish public authorities. The proposal is to make an order under sections 46 of the Climate Change (Scotland) Act 2009 requiring specified public bodies to prepare annual reports on compliance with climate change duties. The order will also set out the form of the reports and the information to be included.

#### 4. CURRENT POSITION

**Appendix I** contains our response to the consultation questionnaire. Comments have been sought from various officers in all directorates on how the proposed reporting form will affect their service.

**5. PROPOSALS**

The attached comments to the consultation document are submitted to the Scottish Government by the closing date of 29 May 2015.

**6. FINANCIAL IMPLICATIONS**

There are no financial implications arising from this report.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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**EMAIL DETAILS: [CommunitiesBusinessSupport@angus.gov.uk](mailto:CommunitiesBusinessSupport@angus.gov.uk)**

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## APPENDIX I



### **Climate Change (Scotland) Act 2009**

#### **Consultation on Proposed draft Climate Change (Reporting on Climate Change Duties) (Scotland) Order 2015:**

**Requiring specified public bodies to prepare annual  
reports on compliance with climate change duties**

[20 February to 29 May 2015]

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## 1 CONSULTATION PROCESS

### About the consultation

1.1 This consultation is important; as the specifics of climate change reporting will involve a range of personnel in each public sector organisation. The main reasons for using the powers in the Climate Change (Scotland) Act 2009 (“the 2009 Act”) to introduce a statutory reporting requirement are to: support compliance with the public bodies duties; consolidate climate change information from public sector; introduce standard methodology to improve data consistency; encourage continuous improvement and transparency; improve board engagement and leadership action and inform Scottish Government strategic reporting and future policy/support.

### Why we are consulting

1.2 We are seeking views on the proposed introduction of a statutory requirement on specified public bodies to report compliance on the climate change public bodies duties. The key driver to introducing this reporting requirement is to improve the quality and consistency of climate change information available to Scottish Ministers, Scottish Government policy officials and the public sector itself.

1.3 We are also seeking any thoughts you may have on the impact of the changes in reporting climate change progress and activity, including any concerns. We would also welcome views on how the climate change reports should be annually validated, analysed and monitored in the future.

1.4 The consultation is not seeking views on the provisions of the 2009 Act, as this has already been approved by Parliament. This paper seeks to make clear what the proposed statutory reporting requirement entails and which public sector organisations are involved; this is the primary focus of the consultation. Your views are particularly sought on the questions outlined in the Consultation Questionnaire enclosed in Annex A. A draft Business and Regulatory Impact Assessment (BRIA) is also provided at Annex C.

### Responding to this consultation paper

1.5 We welcome views on the proposed policy to require specified public bodies to prepare reports on compliance with climate change duties in accordance with the draft Climate Change (Reporting on Climate Change Duties) (Scotland) Order 2015.

1.6 We invite written responses to this consultation paper by 29 May 2015. Please send your response with the completed Respondent Information Form (see “Handling your Response” below) to:

Mark Stirling/Fiona O'Brien  
Scottish Government Climate Change Hub  
Area 1-D South, Victoria Quay, Leith, Edinburgh, EH6 6QQ.  
[Climate\\_Change\\_and\\_Public\\_Sector2@scotland.gsi.gov.uk](mailto:Climate_Change_and_Public_Sector2@scotland.gsi.gov.uk)

1.7 We are happy to discuss any issues you have before you respond formally.

1.8 Please indicate clearly in your response which questions, or parts of the consultation paper you are responding to. This will help us process and analyse responses.

1.9 This consultation, and all other Scottish Government consultation exercises, can be viewed online on the consultation web pages of the Scottish Government website at <http://www.scotland.gov.uk/consultations>.

1.10 The Scottish Government has an email alert system for consultations, <http://register.scotland.gov.uk>. This system allows stakeholder individuals and organisations to

register and receive a weekly email containing details of all new consultations (including web links). The system complements, but in no way replaces SG distribution lists, and is designed to allow stakeholders to keep up to date with all SG consultation activity, and therefore be alerted at the earliest opportunity to those of most interest. We would encourage you to register.

#### Handling your response

1.11 We need to know how you wish your response to be handled and, in particular, whether you are happy for your response to be made public. Please complete and return the Respondent Information Form which can be found at the end of this document. This will ensure that we treat your response appropriately. If you ask for your response not to be published we will regard it as confidential, and we will treat it accordingly.

1.12 All respondents should be aware that the Scottish Government are subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

#### Next steps in the process

1.13 Where respondents have given permission for their response to be made public, responses will be made available to the public in the Scottish Government Library – after a check that they contain no defamatory material. You can make arrangements to view responses by contacting the SG Library on 0131 244 4552. Responses can be copied and sent to you, but a charge may be made for this service.

#### What happens next?

1.14 Following the closing date, responses will be considered along with any other available evidence to help us finalise the statutory instrument.

#### Comments and complaints

1.15 If you have any comments about how this consultation exercise has been conducted, please send them using the contact details at paragraph 1.6.

## **2. INTRODUCTION**

2.1 The Scottish Government announced in July 2014 that the 2012 annual emission reduction target had been missed. This is the third consecutive year that the annual target has been missed. Further action is required across a wide range of climate change activities, if our demanding targets are to be met. The public sector in Scotland therefore has a leading role to play in combating climate change and accurately reporting progress and activity.

2.2 Evidence gathered in support of Scottish Government Report on Proposals and Policies (RPP2) suggests that there is scope to significantly increase emissions reductions in the public sector. Statutory reporting, which relevant bodies are required to complete, is one area of climate change action where Scottish Government has powers to do more, but so far, has chosen not to use them.

2.3 To encourage continuous improvement and to enable more accurate and consistent information to be collected, Ministers now wish to introduce a statutory reporting requirement for “major players” only in the public sector. A robust reporting system could provide a more detailed picture of the sector’s overall performance, assessed and reported annually to inform future climate change policy, funding and support.

2.4 Much of the sector currently collects data on a voluntary basis. Shifting to a statutory reporting requirement (referred to as ‘Required Reporting’ hereafter) would enable a consistent

approach to be adopted by using a standard climate change reporting form and therefore develop an improved reporting system over time.

2.5 It is recognised that the introduction of 'Required Reporting' in itself will not produce public sector emission reductions, but it will demonstrate to public sector stakeholders, environmentalists and the public, that the Scottish Government takes its climate change obligations seriously and is doing everything within its current powers to deliver on this challenging agenda and to also encourage emission reductions to be ramped up across the sector.

2.6 This legislative step would bring Scotland into line with mandatory climate change reporting in England. The introduction of Required Reporting could also put public sector climate action beyond the political cycle, and take this aspect of delivery out of local/national politics. This is appropriate given the unanimous political support enjoyed by the Climate Change Bill when it was passed in 2009.

### **3. BACKGROUND TO PUBLIC SECTOR REPORTING**

3.1 The public sector in Scotland comprises four main areas – Local Authorities, Education, NHS Boards and NDPBs, with around 148 organisations previously identified as major players. The functionality and scale of individual carbon footprints across the public sector varies widely. The current reporting methods and data captured by each area of the sector also vary greatly. These variables therefore make it difficult to draw meaningful conclusions on climate change performance or establish an accurate picture of the sector contribution towards our emission reduction targets.

3.2 The public sector in Scotland has a good track record of voluntarily publishing annual climate change or sustainability reports. For example, all 32 Councils have published Climate Change Declaration (SCCD) reports for the past five years. The Universities and Colleges Climate Commitment for Scotland (UCCCfS) has also been reported annually under a similar declaration commitment. Other public bodies have published Public Sector Sustainability Reports (PSSR) for the past two years and NHS Boards have also reported against corporate targets.

3.3 However, under the current arrangements, these annual reports are not submitted to a central collection point for analysis or feedback to the sector players, nor does the Scottish Government use this information to evaluate the annual performance of the sector.

### **4. POLICY PROPOSALS**

4.1 The climate change public bodies duties came into force on 1 January 2011. They apply to all Scottish public authorities (within the meaning of section 3(1)(a) of the Freedom of Information (Scotland) Act 2002). The proposal is to make an order under sections 46 of the Climate Change (Scotland) Act 2009 requiring specified public bodies to prepare annual reports on compliance with climate change duties. The order will also set out the form of the reports and the information to be included.

4.2 It is proposed that the Reporting Requirement should apply only to those Scottish public authorities that are specifically listed in Schedule 1 to the order. The intention is that all the 'major players' should report compliance in accordance with the order. The proposed subset of major players include those authorities having:

- large estates and large numbers of staff;
- high impact and influence;
- large expenditure; and
- audit or regulatory functions.

4.3 The major players expected to comply with the reporting requirement are listed in Schedule 1 to the draft order (see Annex B).

## 5. PROPOSED APPROACH

5.1 To avoid reporting fatigue amongst the public sector community, the intention is for required reporting to replace the four different reporting formats currently in use by Local Authorities, Universities and Colleges via their respective declaration commitments (SCCD and UCCCFS) and by the other public bodies via Public Sector Sustainability Reports (PSSR). The proposed Climate Change Public Bodies Duties Reports will therefore supersede the voluntary SCCD, UCCCFS and PSSR reporting arrangements currently undertaken by major players in the public sector.

5.2 In support of this policy proposal, Ministers wish to introduce a standard climate change reporting form for major players on a trial basis for reporting compliance with the duties for the period from 1 April 2014 to 31 March 2015. Following consultation, it is proposed that the order (including the list of public bodies in Schedule 1 and the reporting form in Schedule 2) will be finalised and laid in Parliament after the summer recess, with a view to bringing the order into force in November 2015.

5.3 The intention is that each public body listed in Schedule 1 to the order will be required to prepare its first report for the period from 1 April 2015 to 31 March 2016 and then submit this report to Scottish Government before the end of October 2016. Thereafter, an annual report would need be prepared for each subsequent year and reported within 6 months of the year end.

5.4 The proposed “Required Reporting” form is set out in Schedule 2 to the draft order (see Annex B). This was developed and agreed by the Climate Leaders Officer Group comprising representatives from the four main areas in the sector (Local Authorities, NHS, Education and NDPBs). The intention is that this would be made available in such a way that relevant public bodies can input the information required directly into an on-line version of the form, which can then be sent electronically to SG, in order to facilitate the collation and analysis of the submitted reports.

5.5 Officials have consulted Energy, Transport, Built Environment, Heat, Climate Change, Behaviour Change, ICT and Procurement colleagues to help develop the reporting form. It captures information on key emission sources and supports some emerging policy topics. Discussions have also taken place with Sustainable Scotland Network (SSN), Resource Efficient Scotland (RES), Adaptation Scotland and Convention of Scottish Local Authorities (COSLA) on the level of data to be collected.

5.6 The “Required Reporting” form also seeks to enable reuse of emission datasets prepared earlier in the calendar year for other UK reporting obligations, such as CRC. It is proposed that the data and narrative information collected from the reporting form would be used to provide a detailed account of public sector performance and progress which would augment Scotland’s annual report on emission reductions. To help on-line users complete the emissions section of the template, it is intended that selected UK emission factors will be pre-loaded onto the report form annually.

5.7 The Climate Change Public Bodies Duties Guidance, produced in 2011, will be updated with fresh guidance material, particularly focusing on helping users to complete Part 3 of the “Required Reporting” form covering corporate emissions, targets and projects.

5.8 Scottish Government and SSN staff would collate, assess and record the submitted climate change information. The intention is to produce an annual report which would provide sector specific information on emissions, progress and activity. This information would be presented to the Public Sector Climate Leaders Forum and be published annually on the Scottish Government and SSN websites.

5.9 The Word version of the “Required Reporting” form included in the draft order does not contain any spreadsheet functionality as the format of the order does not accommodate this. An



Excel version of the reporting form can be viewed on the SSN website which will demonstrate the functions available to users.

## Respondent Details

# Consultation on Climate Change Public Bodies Duties Reporting.



### RESPONDENT INFORMATION FORM

**Please note:** this form **must** be returned with your response to ensure that we handle your response appropriately

#### 1. Name/Organisation

##### Organisation Name

Angus Council

**Title** Mr  Ms  Mrs  Miss  Dr  **Please tick as appropriate**

##### Surname

Manson

##### Forename

Rosemary

#### 2. Postal Address

Communities - Planning

County Buildings

Market Street

Forfar

**Postcode** DD8 3LG

**Phone** 01307 473258

##### Email

mansonrc@angus.gov.uk

#### 3. Permissions - I am responding as...

**Individual**

/

**Group/Organisation**

**Please tick as appropriate**

**(a)** Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

**Please tick as appropriate**

**Yes**  **No**

**(c)** The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

**(b)** Where confidentiality is not requested, we will make your responses available to the public on the following basis

**Please tick ONE of the following boxes**

Are you content for your **response** to be made available?

**Please tick as appropriate**  
 Yes  No

Yes, make my response, name and address all available

**or**

Yes, make my response available, but not my name and address

**or**

Yes, make my response and name available, but not my address

**(d)** We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

**Please tick as appropriate**  Yes  No

**Energy and Climate Change Directorate**  
Climate Change and Low Carbon Division

T: 0131-244 1378 F: 0131-244 1140  
E: [howard.steele@scotland.gsi.gov.uk](mailto:howard.steele@scotland.gsi.gov.uk)



Our ref: CC/PBDR  
20 Feb 15

Dear Sir/Madam,

### ***Responding to this consultation***

We invite responses to this consultation by 29 May 2015. Please use the consultation questionnaire or indicate clearly in your response which questions or parts of the consultation paper you are responding to. This will help our analysis of the responses received.

### ***Handling your response***

Responses should be sent to [Climate\\_Change\\_and\\_Public\\_Sector2@scotland.gsi.gov.uk](mailto:Climate_Change_and_Public_Sector2@scotland.gsi.gov.uk) . If you have any questions, contact Howard Steele using the contact details above.

We need to know how to handle your response and in particular, whether you are happy for it to be made public. The attached Respondent Information Form will ensure that we treat your response appropriately. If you ask for your response not to be published we treat it as confidential.

You should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and must consider any request made to it under the Act for information relating to responses made to this consultation exercise.

### ***What happens next?***

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us reach a decision on Climate Change Public Bodies Duties Reporting. We aim to produce a consultation report and take stakeholder views into account before laying the statutory instrument.

If you have given permission for your response to be made public and after we have checked that it contains no potentially defamatory material, your response will be made available to the public in the Scottish Government Library and on the

Scottish Government consultation web pages. You can make arrangements to view responses by contacting the SG Library on 0131 244 4552.

***Comments and complaints***

If you have any comments about how this consultation exercise has been conducted, please send them to:

Judith Young

Scottish Government, Climate Change Hub

Area 1 – D South, Victoria Quay, Leith, Edinburgh, EH6 6QQ.

E-mail: [judith.young@scotland.gsi.gov.uk](mailto:judith.young@scotland.gsi.gov.uk)

Yours sincerely.

Howard Steele

## ANNEX A

### CONSULTATION QUESTIONNAIRE

Question 1: Do you agree that the powers in the Climate Change (Scotland) Act 2009 should be used to improve climate change reporting by public bodies?

Yes  No

Angus Council agrees that climate change reporting should be improved. However, it is disappointing to note that mandatory reporting will be introduced prior to any training on how to collect and assess the required data for the reports has been implemented. Detailed guidance should be issued to “major players” on how to complete the reporting form and where the data is to be sourced from.

No strong view on this question from a procurement perspective but reduction of complexity / multiple reporting formats and standardisation in a way that is capable of analysis is desirable.

Question 2: Do you agree that standardised reporting will improve the quality and consistency of climate change information reported by public sector major players?

Yes  No

Standardised reporting should improve the consistency of climate change information as everyone will be reporting the same type of data. Whether this will improve the quality of the information reported is rather more unclear.

Question 3: Do you agree with the policy subjects and questions included in the proposed climate change reporting form (see Schedule 2 to the draft order)?

Yes  No

However, we have some reservations about the availability of data.

Question 4: What would you consider to be an appropriate deadline date for the annual submission of climate change public bodies duties reports?

October/November each year to allow for compilation, consultation and reporting to committees.

Question 5: Based on your current level of climate change/sustainability reporting, are there any additional resource implications associated with the proposed reporting requirement?

If this report is replacing the Climate Change Declaration Report then this should not result in any additional resource issues.

Question 6: For public sector respondents only:

- Do you agree with the list of “major players” in Schedule 1 to the draft order?  
Yes  No

No further comment to this question.

- Would you voluntarily provide additional climate change information if recommended by the Scottish Government?  
Yes  No

Depends on the availability of the information requested.

Question 7: What guidance should be provided for climate change public bodies’ duties reporting?

Should be similar to the Carbon Reduction Commitment (CRC) level of guidance.

From a procurement perspective simple guidance / tools must be provided, ideally online in a single place / portal, which allow the procurement officer to “plug in “ the quantity purchased or other data for services, e.g. location of provider and no. of site visits made and obtain a carbon footprint result.

Question 8: How do you think climate change public bodies’ duties reports should be monitored?

SSN as a public body should monitor the reports.

The data gathered should be vertically and horizontally comparable to identify top performers and support proactive pursuit of that good practice and its transmission.

Question 9: What should the consequences be if a major player does not comply with the climate change public bodies’ duties?

Should be similar to the CRC which holds senior officers accountable and can even include fines.

If the outcome is improved performance then the “sanction” should be external audit / inspector intervention, support and an improvement plan.

Question 10: Do you believe climate change public bodies' duties reports should be validated prior to submission?

Yes, independent  Yes, internal  Yes, peer to peer  Not needed

Annual internal audits are already in place and external audits could be done by SSN every 5 years. The process of validation, especially by external auditors will add a great deal of time to the reporting process.

Question 11: Would you be content for your climate change public bodies duties report to be published annually on the Sustainable Scotland Network (SSN) website?

Yes  No

Angus Council is content with publishing our annual climate change public bodies duties report on the Sustainable Scotland Network (SSN) website as all our previous Climate Change Declaration Reports have been published on the SSN's website for years.

Question 12: How much time would your organisation expect to spend preparing a report in accordance with the draft order? (include any external consultancy time)

Six to nine months to allow time for collating and inputting data and allowing time for the committee process prior to submission.

Question 13: With reference to the draft BRIA, do you think that the policy proposal presented may impact on business, the third sector (voluntary) or any other relevant areas?

Yes in that we may have to ask for more management information from our suppliers and third sector service providers / partners to aid calculation of climate change impact from our contracts. Guidance should address the kind of info that should & shouldn't be sought and how to keep demands on our suppliers proportionate.

Question 14: Do you think that the policy proposal presented may impact on people differently depending on characteristics such as age, disability, gender, race, religion or belief, sexual orientation, gender identity or marriage or civil partnership status? Could the proposals enhance equality or good relations? If so, please comment.

No.

**End of Questionnaire**



## **ANNEX C**

### **PARTIAL BUSINESS AND REGULATORY IMPACT ASSESSMENT (ref:)**

Climate Change Public Bodies Duties – Reporting Requirement  
January 2015

### **PARTIAL BUSINESS AND REGULATORY IMPACT ASSESSMENT**

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9.2 Enforcement and sanctions

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### **10.0 DECLARATION AND PUBLICATION**

## **1 TITLE OF PROPOSAL**

Required Reporting on Climate Change Public Bodies Duties

## **2 PURPOSE AND INTENDED EFFECT**

- (1) For each financial year, a listed body must prepare a report on compliance with its climate changes duties.
- (2) The listed body must send the report to the Scottish Ministers within a period of 6 months from the end of that year.

### **2.1 Background**

The Scottish Government announced in July 2014 that the 2012 annual emission reduction target had been missed. This is the third consecutive year the annual target has been missed. Further action is required across a wide range of climate change activities, if our demanding climate change targets are to be met. The public sector in Scotland therefore has a leading role to play in combatting climate change and accurately reporting progress and activity.

Evidence gathered in support of Scottish Government Report on Proposals and Policies (RPP2) suggests that there is scope to significantly increase emissions reductions in the public sector. Statutory reporting, which relevant bodies are required to complete, is one area of climate change action where Scottish Government has powers to do more, but so far, has chosen not to formally use them.

### **2.2 Objectives**

This consultation is important, as the specifics of climate change reporting will involve a range of public sector personnel throughout each organisational structure. The main reasons for Ministers using the powers in the Act to introduce a statutory reporting requirement are to: support compliance with the Public Bodies Duties; consolidate climate change information from public sector; introduce standard methodology to improve data consistency; encourage continuous improvement and transparency; improve board engagement and leadership action and inform Scottish Government strategic reporting and future policy/support.

### **2.3 Rationale for government intervention**

Ministers now wish to introduce a statutory reporting requirement for “major players” only in the public sector. A robust reporting system could provide a more detailed picture of the sector’s overall performance, assessed and reported annually. Currently most of the sector already collects data on a voluntary basis. Shifting to a statutory reporting requirement (referred to as ‘Required Reporting’ hereafter) would enable a consistent approach to be adopted by using a standard climate change reporting template and therefore develop an improved reporting system over time.

### **3.0 CONSULTATION**

The consultation period will commence on February 2015 and close on 29 May 2015. Requests for printed copies of consultation papers, issued without charge, may be made direct to the Climate Change Public Bodies Duties Team of the Scottish Government. Contact details are appended.

#### **3.1 Development Phase**

We are seeking views on the introduction of a statutory requirement on public sector major players to report compliance on the climate change public bodies duties. The key driver to introducing a reporting requirement is to improve the quality and consistency of climate change information available to Scottish Ministers as well as Scottish Government policy officials and the public sector community itself.

We are also seeking any thoughts you may have on the impact of the changes in reporting climate change progress and activity, including any concerns. We would also welcome views on how the climate change public bodies duties (“PBD”) reports should be annually validated, analysed and monitored in the future.

The consultation is not seeking views on the provisions of the 2009 Act, as this has already been approved by Parliament. This paper seeks to make clear what the statutory reporting requirement entails and which organisations are involved; this is the primary focus of the consultation.

#### **3.2 Within Government**

Officials have consulted Energy, Transport, Built Environment, Heat, Climate Change, Behaviour Change, ICT and Procurement colleagues to help develop the standard reporting template. It captures information on key emission sources and supports emerging policy topics. Discussions have also taken place with Sustainable Scotland Network (“SSN”), Resource Efficient Scotland, Adaptation Scotland and Convention of Scottish Local Authorities (“COSLA”) on the level of data needed to inform future climate change policy, funding and support.

#### **3.3 Public consultation**

The Scottish Government has identified a list of public sector major player organisations who would be required to report on compliance with the climate change duties. Those public bodies listed as major players have been directly alerted to this public consultation.

As well as directly contacting stakeholders with a known interest, the consultation is also promoted on the homepage of the Scottish Government website and via a Sustainable Scotland Network (“SSN”) members newsletter.

The full consultation package is published in different formats on the Scottish Government website (<http://www.scotland.gov.uk/Consultations/Current>).

## **4.0 OPTIONS**

### **4.1 Options proposed**

In considering how best to address the range of objectives identified in paragraph 2.2 above, three possible options were identified:

Option 1 – doing nothing;

Option 2 – continue with a voluntary approach to public sector climate change reporting and improve the reporting guidance;

Option 3 – use the powers in the Act to introduce a statutory requirement for relevant public bodies to report on compliance with the climate change public bodies duties.

### **4.2 Sectors and groups affected**

Sectors and groups affected include:

a) Public Bodies – major players managing the use of publically funded resources should not be subject to loss of amenity and facilities as a consequence of the policy proposals.

b) Sustainable Procurement – professional staff procuring products, services and properties could benefit from reduced overall costs as a result of striving for increased sustainability performance through improved policies, procedures and practices generated by the requirement to publically report annual progress and activity.

d) Scottish Government – the sponsorship of public sector support services such as Adaptation Scotland, Resource Efficient Scotland, Energy Saving Trust and the Sustainable Scotland Network may see an increase in service uptake for policy and technical support from major players.

c) Validation – public sector auditors may have to train staff in relevant areas of data capture and management to enable accurate and consistent information to be reported annually under the reporting requirement;

e) Consultancy Network in Scotland - Some major players may need to commission private sector consultants to help develop and produce climate change reports. The consultancy network in Scotland could find it difficult to respond to demands for specialist climate change services at peak times of the reporting year.

## **5.0 BENEFITS**

The policy proposals relate to changes to the existing climate change reporting that supports required reporting of climate change duties compliance. When assessing the effectiveness of the three options above to achieve the desired outcomes indicated in paragraph 2.3 the following observations were made:

## **5.1 Option 1 – Benefits**

This option offers no benefits. There would be no improvement or other gains to climate change reporting information and techniques. No significant improvements would be evident in climate change information available to Ministers. This option would not address any of the issues identified in 2.3.

## **5.2 Option 2 – Benefits**

Any benefits gained by a continued voluntary approach and the introduction of updated and improved guidance would be wholly dependent on the level of use of that guidance. Benefits would, at best, be identical to those possible under option 3, but only in respect of those practitioners who chose to adopt new methods in line with the guidance.

## **5.3 Option 3 – Benefits**

The achievement of the objectives set out in paragraph 2.2 could be realised. Multiple benefits through improved practices could be accrued as a result of a statutory reporting requirement being introduced. Although most major players already report climate change or sustainability information annually, a small minority do not publish any climate change information. This policy proposal will enable all major players to formally report their compliance with the climate change public bodies duties in an open and transparent fashion and demonstrate robust management of public funds and climate change action.

## **6.0 COSTS**

### **6.1 Option 1 – Do nothing**

This option would not change the position of public bodies. Inconsistency would remain with regard to application of the reporting guidance and as such stakeholders would not have the 'level playing field' they would want. Such an arrangement is considered untenable by Scottish Ministers and members of the Public Sector Climate Leaders Forum.

### **6.2 Option 2 – Continue with a voluntary approach to public sector climate change reporting and improve existing reporting guidance.**

Where a person chooses to follow any advice in the reporting guidance, the cost implications would be similar to those of option 3. However, it would be difficult to envisage how effective this option would be and what improvements would result that would meet the objectives in paragraph 2.2.

### **6.4 Option 3 - Use the powers in the Act to introduce a statutory requirement for relevant public bodies to report on compliance with the climate change public bodies duties.**

For the majority of public bodies who already report climate change information there should be little or no increased cost implications. Collection of climate change information should be regarded as a core management task and therefore be absorbed into the daily business operations. However, some less capable bodies may decide to employ private sector services to assist in the production of the annual report. These services will come at a cost depending on the rate charged by each consultant. This cost would be incurred during the first year of reporting but would not be required thereafter once the data capture and recording systems were set up.

## **6.5 Cost of statutory reporting and new guidance**

In the past Scottish Government produced the reporting guidance in-house. However, the development of new guidance is to be delegated to Sustainable Scotland Network (SSN) staff who may also call upon the services of contractors under existing framework arrangements.

There are approximately 150 public bodies identified as major players each of whom would be expected to report annual climate change information. The time impact per major player is estimated at a total of around 20 hours on familiarisation, data recording and validation. Therefore, based on average hourly rates in the public sector, the total costs annually to the sector would be around £64,500.

However, for some practitioners, this aspect may be offset against Continued Professional Development (CPD) requirements. For example, professional energy, environment, audit, ICT, procurement and estate/facilities management staff may incur no additional costs as professional institutions demand at least 20 – 40 hours Continued Professional Development as part of their professional membership criteria.

It is recognised that some public bodies may choose to enlist the free 3<sup>RD</sup> party assistance of the Sustainable Scotland Network or Resource Efficient Scotland advisory services, or alternatively, commission a private sector consultant at cost to provide technical support to develop their annual climate change report.

From a Scottish Government policy perspective, any staff costs incurred in the monitoring and analysing of the submitted climate change reports or contributing to the further development of reporting guidance, would be absorbed into the running costs of the Climate Change Hub of Scottish Government.

## **7.0 SCOTTISH FIRMS IMPACT TEST**

The Scottish firms impact test regards all firms with fewer than 50 full time employees as being small businesses and those with less than 10 as micro businesses. Guidelines state that a concerted effort should be made to consult small and micro businesses over policy proposals. As stated above in 3.3, this public consultation will mainly focus on public sector stakeholder involvement in meeting the proposed reporting requirement.

However, the public consultation will also enable other interested parties, including small and micro business to respond during the public consultation period. Consultation responses will be considered as part of the final BRIA.

It is not envisaged that the introduction of the proposed reporting requirement will have a detrimental impact on businesses, in fact, there is a possibility that public bodies may choose to employ consultants to undertake support work to produce climate change reports. This could result in an increased uptake of business services at specific preparatory times of the reporting year.

### **7.1 Competition Assessment**

It is not envisaged that any of the aspects identified in clause 2.3 of this assessment will impact on competition between companies.

### **7.2 Timing**

In support of this policy proposal, Ministers wish to introduce a standard climate change reporting template for major players on a trial basis for their 2014/15 reports. Following consultation, and if Parliament approves, the reporting requirement would then apply to 2015/16 reports which would be due by 30 October 2016.

### **8.0 LEGAL AID IMPACT TEST**

It is not envisaged that there will be any additional demands placed on the legal system by this proposal. Accordingly, it is not considered that there will be any effect on individuals' right of access to justice through availability of legal aid or on possible expenditure from the legal aid fund.

### **9.0 ENFORCEMENT, SANCTIONS AND MONITORING**

All matters relating to enforcement, sanctions and monitoring will be considered within the powers in the Climate Change (Scotland) Act 2009.

#### **9.2 Enforcement and sanctions**

The future introduction of penalties for non-compliance by a major player with the Climate Change Public Bodies Duties would be considered based on the provision in the Climate Change (Scotland) Act 2009 and the views of consultation respondents.

#### **9.3 Monitoring**

The Scottish Government would monitor the effectiveness of Required Reporting based consultation responses received and the analysis of the findings of major player climate change reports submitted. An annual readout report would be produced and presented to Ministers, prior to being published on the Scottish Government website annually.

### **10.0 DECLARATION AND PUBLICATION**

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