

**Scottish Futures Trust**  
**SUSTAINABILITY REPORT 2020/21**

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## EXECUTIVE SUMMARY

This Sustainability Report details SFT’s environmental impact and associated financial costs. The environmental impact of the programmes which we manage are accounted for by the organisations which have budgetary control of the projects within these programmes – more details of which can be found within our Benefits Statement and individual programme reporting structures.

SFT recognises the importance of sustainability and the duties placed on it under the Climate Change (Scotland) Act with many of our work streams supporting the transition to a net zero carbon economy – examples include digital connectivity which brings long term benefits to rural areas and our low carbon programmes across street lighting, the low carbon infrastructure transition programme, non-domestic energy efficiency, district heating, and the Net Zero Carbon Public Sector Buildings (NZCPSB) standard.

During the year ended 31 March 2021, our emissions per full time equivalent (FTE) employee have fallen as detailed within the table below:

Scope and Area	Emissions (tCO <sub>2</sub> e)			
	2020-21	2019/20	2018/19	2017/18
<b>Total Emissions</b>	<b>3.2</b>	<b>76.4</b>	<b>82.5</b>	<b>95.6</b>
Average FTE employees per annum	70.2	72.0	70.0	75.0
<b>Total Emissions per FTE</b>	<b>0.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>
<b>Rolling 4-Year Emissions per FTE</b>	<b>0.89</b>	<b>1.25</b>	<b>1.37</b>	<b>1.55</b>

We measure our carbon emissions in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). This year, we have continued to include emissions arising from waste and recycling in our total emission reporting as we did last year for the first time, rather than reporting separately upon ‘emissions diverted’ from landfill as in previous years. This provides greater consistency of reporting across emission sources and has become viable this year through improvements in supplier data provision. SFT’s emissions fell by 96% from 76.4 tCO<sub>2</sub>e in 2019/20 to 3.2 tCO<sub>2</sub>e in 2020/21. Emissions per FTE employee decreased from 1.1 to 0.0 tCO<sub>2</sub>e in the period and the rolling four-year average emissions per FTE also decreased. This analysis includes the significant reduction in emissions caused by the company working remotely and rarely travelling throughout the reporting period in response to the Covid-19 emergency.

This year’s report records that:

- We have achieved our key target of reducing our rolling four-year emissions to below 1.65 tCO<sub>2</sub>e per FTE for the fourth year running.
- We have exceeded our target of consolidating our emissions at below 1.5tCO<sub>2</sub>e per FTE.
- We have made further reductions in the volume of waste sent to landfill. We have also made a reduction in recycling volumes, attributable to the low occupancy of the office.
- Whilst electricity use per FTE employee has reduced, we have opted to report our electricity emissions on a location basis, rather than a market basis, leading to an increase in reported emissions associated with electricity use. However, we continued to source all electricity in the period from a supply with formal Renewable Energy Guarantee of Origin (REGO) certification and on a market basis, electricity-related carbon emissions have fallen to their lowest levels to date due to low office activity in response to Covid-19.

- Our emissions from business travel have decreased for the third consecutive year from 74 tCO<sub>2</sub>e in 2019/20 to less than 0.5 tCO<sub>2</sub>e this year.
- We had undertaken to adopt a suitable offsetting strategy for our UK mainland flights this year. However, due to restrictions in response to Covid-19, no flights were taken and we continue to review the suitability of offsetting schemes and related options.

In 2021/22, SFT's objective is to continue to:

- consolidate our environmental impact at 1.5 tCO<sub>2</sub>e per FTE
- maintain our rolling four-year average emissions at or below 1.65 tCO<sub>2</sub>e per FTE
- encourage staff to avoid flying in favour of public transport for this type of journey, where business and personal commitments allow
- review the suitability for SFT of formal and informal offsetting options for carbon emissions arising from essential mainland UK flights

However, for 2021/22, SFT expects its carbon footprint to remain significantly lower than the consolidated metrics due to the continued impact of the response to the Covid-19 pandemic.

## INTRODUCTION

The Scottish Government's sustainability strategy encourages both private companies and public bodies to disclose their sustainability and environmental performance information. This report details SFT's performance.

The quantitative element of this report addresses our office premises in Edinburgh. Wider sustainability impacts, including our influence upon the impacts of the public sector in Scotland are addressed qualitatively.

SFT has negligible direct (scope 1) emissions, as it neither owns nor operates any boilers or vehicles and its cooling equipment is free from refrigerant leaks. We do, however, use electricity which falls mainly under scope 2 (indirect). All other emissions arising from SFT's activities are classed as scope 3 (indirect).

This report records our scope 2 emissions and our key scope 3 emissions for the financial year 2020/21, calculated in accordance with the Climate Change Duties Reporting methodology introduced in 2015. However, the full reporting format is not applicable to SFT, as we are not a 'Major Player' and this report follows a bespoke, simplified format, appropriate to both voluntary reporting and the scale of our impacts.

## PERFORMANCE COMMENTARY AND TARGETS

### *Total Greenhouse Gas Emissions*

In 2020/21, our objectives were to consolidate our environmental impact at 1.5tCO<sub>2</sub>e per FTE and to maintain our rolling four-year emissions at or below 1.65tCO<sub>2</sub>e per average FTE. Both objectives were met.

In 2021/22, SFT's objective is to continue to consolidate our environmental impact at 1.5 tCO<sub>2</sub>e per FTE and to maintain our rolling four-year average emissions at or below 1.65 tCO<sub>2</sub>e per FTE. However, in reality for 2021/22, SFT expects its carbon footprint to reduce significantly due to the continued impact of the response to the Covid-19 pandemic

### *Recycling*

Our 2020/21 recycling target was to continue to increase recycling rates. We have reduced all waste arisings in the office for the third consecutive year, due to the office being closed to staff.

### *Electricity*

Electricity use per employee decreased from 790 kWh/ employee in 2019/20 to 153 kWh/employee in 2020/21, due to the office being closed to staff. However, we have changed our approach to reporting electricity emissions this year, leading to an increase in emissions, although emissions per employee remain below 0.1 tCO<sub>2</sub>e.

### *Business Travel*

Emissions arising from business travel have fallen by both absolute and relative metrics. All forms of travel mileage and emissions fell due to the Covid-19 response.

## GREENHOUSE GAS EMISSIONS

Table 1 quantifies our total GHG emissions in terms of tonnes of carbon dioxide equivalent emissions. It shows the total impact and the impact per FTE employee.

As we sub-lease office accommodation, key emissions are indirect and controlled by third parties. This relates to the heating energy use, water use and electricity use in circulation areas, for which emission data is unavailable. Consequently, they are omitted from this report.

*Table 1: Summary of SFT's Total Greenhouse Gas Emissions*

Scope and Area		Emissions (tCO <sub>2</sub> e)			
		2020/21	2019/20	2018/19	2017/18
Scope 1	Refrigerant Leaks	Negligible	Negligible	negligible	negligible
Scope 2	Electricity	2.504	0.0	0.0	8.3
Scope 3	Business Travel	0.496	74.1	79.4	85.5
	Waste & Recycling	0.028	1.1	1.3	
	Electricity (T&D)	0.215	1.2	1.8	1.8
<b>Total Emissions</b>		<b>3.244</b>	<b>76.4</b>	<b>82.5</b>	<b>95.6</b>
<b>Average FTE employees p.a.</b>		<b>70.2</b>	<b>72.0</b>	<b>70.0</b>	<b>75.0</b>
<b>Total Emissions per FTE</b>		<b>0.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>

Further details on SFT's greenhouse gas emissions are noted below:

### Scope 1 Emissions

#### Refrigerants

Refrigerant leakage is the only potential scope 1 emission source at our offices. However, our cooling systems are small, sealed, serviced quarterly and therefore have a low risk of leakage. Consequently, scope 1 emissions are estimated to be negligible and are omitted from this report.

### Scope 2 Emissions

#### Office Electricity

SFT leases office accommodation in the centre of Edinburgh, with an EPC rating of C+. Our heating is provided by the landlord as part of the lease cost and our heating energy use is unmetered. Similarly, lighting and power within landlord areas are unmetered. These unmetered energy sources are omitted from this report. However, all electricity use within our office is metered and is covered by this report.

Table 2 discloses metered electricity consumption, emissions and costs but excludes heating and electricity use in landlord areas. Electricity consumption data is taken from invoices, which may include estimated values.

*Table 2: SFT's Total SFT Office Electricity Consumption, Cost and Emissions*

Area	Total Impact of Electricity Use			
	2020/21	2019/20	2018/19	2017/18
Electricity emissions Scopes 2&3 (tCO <sub>2</sub> e)	2.7	1.2	1.8	10.1
Electricity consumption (kWh)	10,733	56,915	55,972	56,167
Electricity expenditure (£)	£1,299	£7,495	£8,058	£6,422

Table 3 shows electricity consumption, emissions and costs per employee over the same period. This year, we have opted to report Scope 2 emissions from electricity on a location basis in the table above, rather than a market basis. Consequently, although our electricity consumption (kWh) has reduced by 80% compared to recent years, our location reported emissions are higher.

However, we continue to procure our electricity from a Renewable Energy of Guaranteed Origin (REGO) supply and on a market basis for reporting, our electricity emissions Scopes 2&3 were 0.2 tCO<sub>2</sub>e, compared to 1.2 tCO<sub>2</sub>e last year, ie a cut of 83%.

*Table 3: SFT's Electricity Consumption, Cost and Emissions per Employee, Trend 2014-18*

Area	Impact per Employee of Electricity Use			
	2020/21	2019/20	2018/19	2017/18
	FTE: 70	FTE: 72	FTE: 70	FTE: 72
Electricity emissions per employee (tCO <sub>2</sub> e/FTE)	0.0	0.0	0.0	0.1
Electricity consumption per employee (kWh/FTE)	153	790	800	780
Electricity expenditure per employee (£/FTE)	£19	£104	£115	£89

## Scope 3

### Business Travel

SFT's staff policy is to make use of digital communication technologies to reduce the need to travel and when travel is necessary to prioritise the use of public transport for business travel whenever possible and safe to do so. This year total mileage and carbon emissions from travel have decreased. Details of carbon emissions arising from staff business travel are included in Tables 4 and 5 overleaf.

Table 4 details the absolute carbon emissions from each mode of business travel and indicates a decrease from 75 tCO<sub>2</sub>e in 2019/20 to 0.5 tCO<sub>2</sub>e in 2020/21. This has been caused by a reduction in emissions from all forms of travel, due to the response to Covid-19.

Table 4: Breakdown of Business Travel Mileage and Emissions by Travel Mode and Year

Travel Mode	Miles		tCO <sub>2</sub> e	
	2020/21	2019/20	2020/21	2019/20
Car	1,798	95,210	0.5	27
Train, Tram, Bus	0	85,180	0	6
Taxi	0	2,483	0	1
Air Travel	0	103,710	0	41
<b>Total</b>	<b>1,798</b>	<b>286,583</b>	<b>0.5</b>	<b>75</b>

Table 5: Business Travel Mileage and Emissions per Employee – Breakdown by Mode and Year

Travel Mode	Miles per Employee		tCO <sub>2</sub> e per Employee	
	2020/21	2019/20	2020/21	2019/20
Car	41	1,341	0.0	0.4
Train, Tram, Bus	0	1,200	0.0	0.1
Taxi	0	35	0.0	0.0
Air Travel	0	1,461	0.0	0.6
<b>Total</b>	<b>41</b>	<b>4,037</b>	<b>0.0</b>	<b>1.1</b>

### **Waste and Recycling**

Waste and recyclable materials are collected from our offices by a third party, ChangeWorks. They provide good quality data on the quantity of waste and recyclable materials collected from us and we apply emission factors published by BEIS to calculate our emissions. Our emissions from landfill and recycling activities have decreased from 1.1 tCO<sub>2</sub>e in 2019/20 to 0.03 tCO<sub>2</sub>e this year.

### **Water**

Water is provided by the landlord on an unmetered basis and is not quantified in this report. Carbon emissions arising from water use are estimated to be low compared with our electricity and travel emissions. Nonetheless both SFT and the landlord have invested in water conservation measures prior to moving into the premises. This included WC and urinal flush controls and dishwashers.

### **Staff commuting**

SFT offices are based in the centre of Edinburgh which encourages staff (and visitors) to use the excellent public transport links. As we do not have direct control over emissions from staff commuting, they are not accounted for within our disclosed emissions. However, we do track commuting patterns and this year there has been minimal staff commuting due to the office being closed to staff and we have elected not to collate figures this year.

## **OTHER ENVIRONMENTAL IMPACTS**

Other environmental impacts such as biodiversity and sustainable procurement with respect to the operation of our office are not of a scale to be considered material. Our influence upon the biodiversity and sustainable procurement impacts of the public sector in Scotland are considered on a project-specific basis. They can be considerable and, where appropriate to projects' and Authorities' requirements, are reported in our annual Benefits Statement. An example of this is our street lighting programme which has enabled 73% of Scotland's 900,000 street lamps to be replaced by energy-efficient LEDs, helping Council's save over 60,000 tonnes of CO<sub>2</sub> annually and £30m per annum.

## **SOCIAL IMPACTS**

SFT operates a flexible approach to remote working and responds to employees' requests for part time and compressed hours working in support of family and other commitments. SFT also provides two days paid leave each year for employees to support community initiative's which has a positive impact across a range of community projects and charities. Our influence upon the social impacts of the wider public sector are addressed on a project by project basis. Through our role in procurement mechanisms, such as hub and the Non-Domestic Energy Efficiency Framework, tenderers are required to include commitments to provide community benefits, including positive environmental, social and economic impacts. SFT's approach to community benefits in construction is detailed in our [Community Benefits Toolkit](#) and is supplemented by the hub Measuring Social Value Guidance.

## **ECONOMIC IMPACTS**

### **SFT - Expenditure upon energy, waste and business travel**

Table 6 discloses the level of expenditure on activities within the scope of this Sustainability Report where it is available i.e. it excludes costs included within our lease agreement for water charges, heating costs and electricity charges associated with landlord areas.

*Table 6: SFT's Total Expenditure Relating to Utilities, Waste and Travel*

Area	Expenditure			
	2020/21	2019/20	2018/19	2017/18
Electricity	£1,299	£8,058	£8,058	£6,422
Business Travel	£305	£60,899	£61,650	£94,284
Waste & Recycling	£4,101	£5,767	£5,039	£5,368
<b>Totals</b>	<b>£5,705</b>	<b>£74,724</b>	<b>£74,747</b>	<b>£106,074</b>

Our total costs are fallen again since last year due to the response to Covid-19. Business Travel is usually our main area of expenditure by a considerable margin, but is very low this year.

### **Other economic impacts in Scotland's economy**

SFT is committed to saving taxpayers' money and works with the public sector to deliver the best possible value both where money is being invested in infrastructure and in the use of the existing public-sector asset base. Details of our wider economic impact are detailed on our website within our Annual Reports and Benefit Statements.

### **CLIMATE CHANGE ADAPTATION**

We take the risk of interruption of our business very seriously, including the risks presented by increased frequency and severity of adverse weather events attributable to climate change. These are covered by our procedures included within our Business Continuity and Emergency Plan. Our Information and Communication Technology Policy includes robust provisions to minimise the disruption to business caused by severe weather conditions through facilitating off-site working. Most of our staff are used to working remotely and our policy of minimising the need to travel through homeworking, video conferencing and other telecommunication alternatives to face to face meetings assist us to minimise business disruption in the event of severe weather conditions and were invaluable in supporting our response to the Covid-19 emergency in the reporting period.