Skills Development Scotland

Sustainability Report 2023-2024

June 2024

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1. Introduction

This report provides an overview of our carbon footprint from 2019/20 – 2023/24, with a breakdown of each key component - Energy, Business Travel and Commute Travel. The progress towards our 2030 reduction target shows that we are successfully mitigating our greenhouse gas emissions.

Alongside detail regarding our carbon footprint, the report also provides examples of how we are acting sustainably through current activities underway across the four workstreams of the Climate Change Strategy: Supporting a Green Economy, Digital Capability, Business Processes and Organisational Culture.

2. Carbon Footprint

In SDS, the main parts of our carbon footprint currently in scope are commute travel, business travel, office energy use and home working energy use. Waste, water, fugitive emissions from air conditioning and hotel stays collectively account for only 2% of our carbon footprint in 2023/24 and are therefore not covered separately in this report.

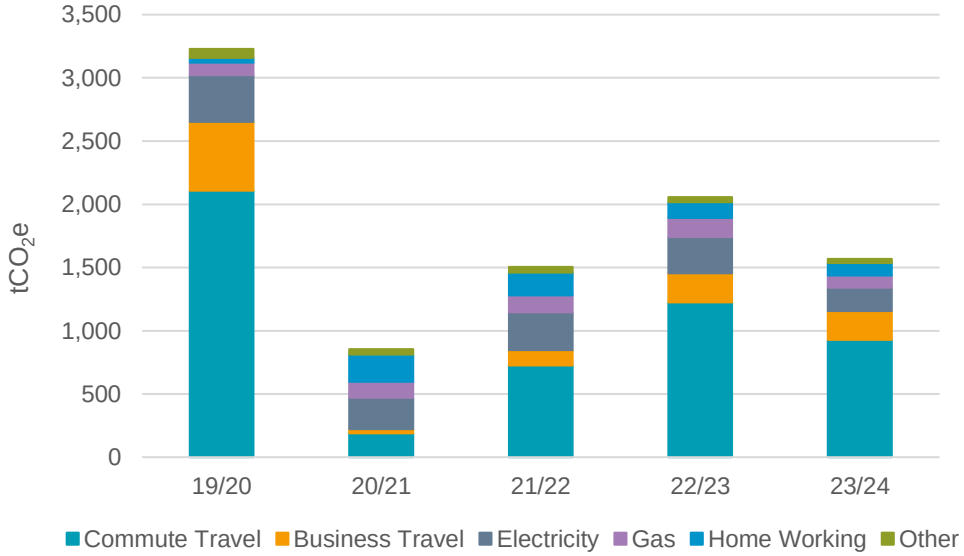

Figure 1: annual carbon footprint

SDS's total carbon footprint has decreased by 51% in 2023/24 compared to the 2019/20 baseline and annual reduction of 24% compared to 2022/23.

2.1. 2030 Reduction Target Progress

In our Climate Change Strategy 2020-2030, SDS set out to achieve a 67% reduction of our carbon footprint by 2030 on a 2019/20

baseline. The graph below shows the progress made so far and the future trajectory required to meet our target.

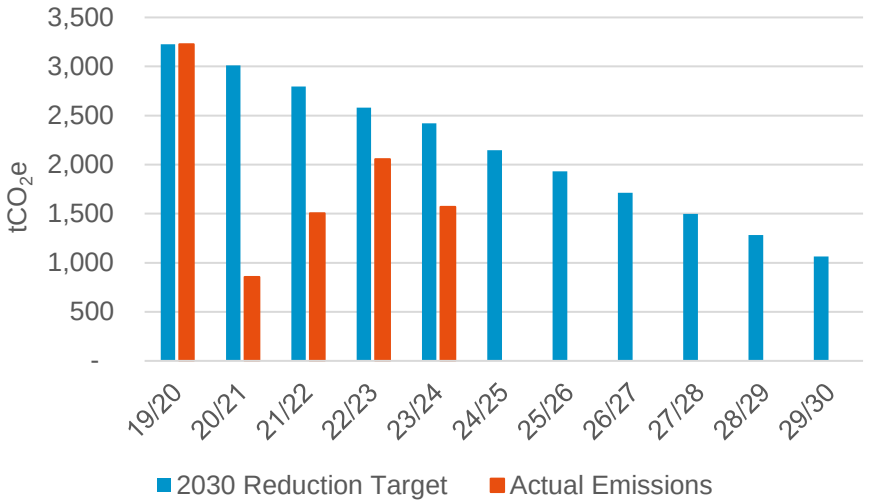

Figure 2: emissions reduction target progress

The COVID-19 pandemic led to a significant reduction in SDS's carbon footprint in 2020/21. However, the carbon footprint increased over the following two years. Despite this, in 2023/24 SDS achieved an annual 27% reduction in carbon emissions, which is a 51% reduction compared to the 2019/20 baseline. This progress indicates that SDS is currently on track to meet its 2030 carbon reduction target if this trajectory continues.

3. Energy

SDS's carbon footprint from energy consumption in our offices decreased by 36% in 2023/24 compared to 2022/23, largely due to the start of SDS's estate rationalisation as part of the Transform 27 Programme. The shift from standalone SDS offices to a model of co-location and community-based delivery involves integrating SDS services within existing shared facilities.

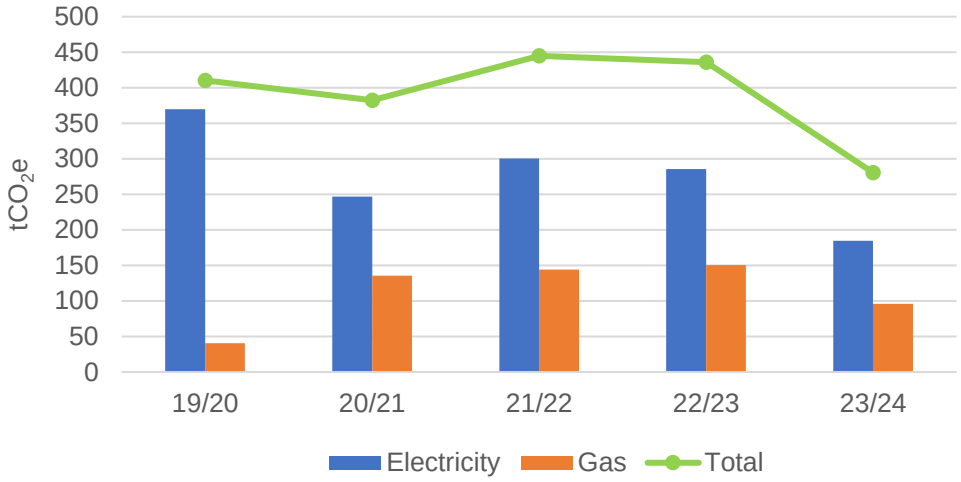

Figure 3: annual carbon footprint of energy

The emissions intensity of the national grid, i.e. the amount of carbon released per unit of electricity generated, also impacts an organisation's carbon footprint. This factor had been decreasing steadily for several years leading up to 2022/23. This trend was primarily driven by an increase in renewable energy sources and a reduction in fossil fuel-based power generation.

However, in 2023/24 there was an unexpected increase in the conversion factor due to a reduction in energy generated from onshore and offshore wind, attributed to unusually calm weather conditions. As a result, there was a greater reliance on natural gas-fired power stations to meet energy demands. Had the decreasing trend continued in 2023/24, SDS would have achieved even greater emissions reductions from electricity.

It is anticipated that the conversion factor will resume its downward trajectory in 2024/25.

4. Travel

a. Business Travel

Prior to 2020, SDS colleagues travelled over 2.5 million miles annually for business purposes. The COVID-19 pandemic led to a significant drop in business travel during 2020/21. Over the following two years, there were notable annual increases in travel mileage, with consecutive doubling in 21/22 and 22/23. However, the figures remained well below pre-pandemic levels, with mileage stabilising in 23/24 compared to 22/23.

In 2023/24 the carbon footprint of SDS's business travel decreased by

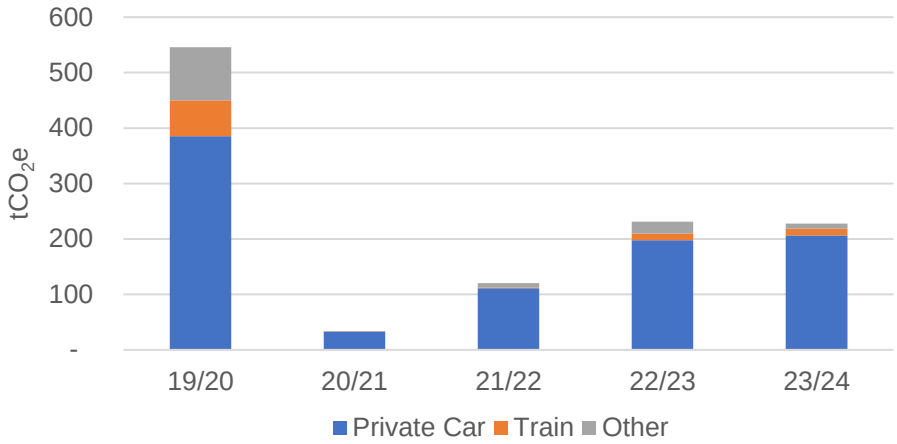

Figure 4: annual carbon footprint of business travel by mode

2% compared to 2022/23, indicating a levelling out. As per Figure 4, private vehicle use accounted for the majority (91%) of business travel emissions in 2023/24. The percentage of 'Other' dropped significantly

from accounting for 18% of travel emissions in 19/20 to 4% in 23/24. This was largely due to a decrease in UK mainland flights.[1]

b. Commute Travel

In 2023/24, commute travel accounted for the largest portion of our carbon footprint at 59%. We undertook our first commute travel survey in 2021/22, using a tool produced by Zero Waste Scotland, to calculate a 2019/20 baseline. We now undertake the survey at the end of each financial year.

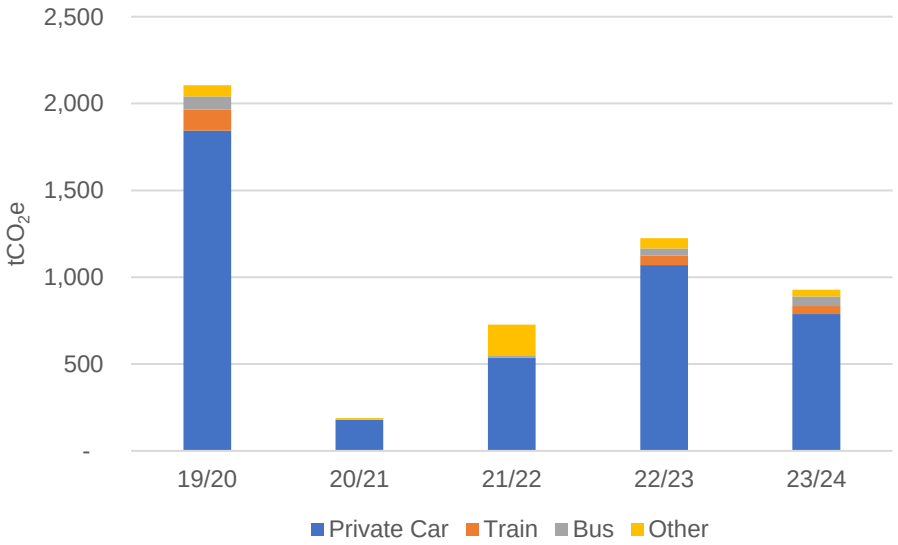

Figure 6: annual carbon footprint of commute travel by mode

The results of the 2023/24 survey showed a 56% reduction in mileage for commute travel compared to the 2019/20 baseline. This is likely due to the option of hybrid working and community-based service delivery. However, 71% of mileage is undertaken in private vehicles which is more carbon intensive than active travel or public transport.

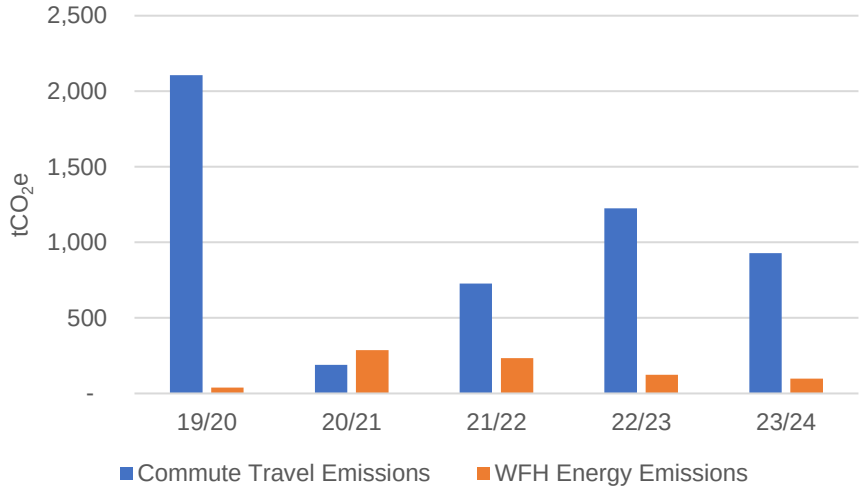

Figure 5: carbon footprint of commute travel and working from home energy

Case Study: environmental impact of hybrid working

Commute travel is inextricably linked to energy from home working. Hybrid working offers SDS colleagues the opportunity to spend time working from elsewhere other than their contracted base, including

[1] Decrease of UK mainland flights from 76 in 19/20 to 4 in 23/24.

their home. Working from home requires the use of energy from lighting, heating and IT equipment. However, that energy use is significantly less than the emissions which are subsequently saved from the reduction in commuting. In 2023/24, emissions from home working equivalent to 11% of commuting emissions. Hybrid working has saved SDS 542tCO_2e between 2019/20 and 2023/24 which accounts for 67% of our total emissions reduction achieved.

5. Biodiversity Duty

Under the Nature Conservation (Scotland) Act 2004, all public sector organisations have a duty to further conservation of biodiversity when carrying out their responsibilities. In SDS this involves the mainstreaming of biodiversity across strategies and policies, supporting the development of nature-based jobs and skills through our partnership working and service delivery, public and workforce engagement and research. The full report, covering 2021-2023, can be viewed on SDS's corporate website.

6. Climate Change Strategy Action Plan

In SDS's 'Strategic Plan: Skills for a Changing World', 'Goal 5: Impactful Organisation' has an objective to 'Transition towards becoming a net-zero organisation, through delivery of the SDS Climate Change Strategy 2020-2030'. To ensure we are complying with national legislation and delivering against our Strategic Plan, we are delivering the Climate Change Strategy via two-year action plans. A Progress Report was published for the first Action Plan in April 2023. The second Plan is underway, running from January 2023 to December 2024. Example activities for the current Action Plan below for each workstream, with a full Progress Report will be published in early 2025.

a. Workstream 1: Supporting a Green Economy

Across our work, we will support Scotland's ambitions for a green economy.

Example Action: CESAP Pathfinders Work Package 1

The 'Climate Emergency Skills Action Plan' (CESAP), published in 2020, outlined the need for action to ensure that current and future skills investment in support of net zero is strongly evidence based. Responding to this, Skills Development Scotland - supported by colleagues in the Scottish Funding Council and Scottish Government - led on research work focussed on gathering evidence on green skills. The output of this work is provided in the report 'A Dynamic Skills Response to Supporting the Transition to Net Zero', published in November 2023.

b. Workstream 2: Digital Capability

We will continue to enhance our digital capability to support our wider sustainability ambitions.

Example Action: Digital Quality Assurance Reviews

The aim of this workstream is to make best use of technology and seek out new opportunities where possible. SDS is responsible for undertaking annual quality assurance reviews of work-based learning training providers. Through moving to undertaking the reviews using digital technology, emissions were saved from reduced travel while still ensuring delivery of service. 99% of reviews in 2023 were undertaken digitally, surpassing the target of 90%.

c. Workstream 3: Business Processes

We will continuously improve our business processes so that they better support our environmental ambitions.

Example Action: Transform 27 Estates Rationalisation

SDS has been undertaking a programme of estate rationalisation, based on evidence of customer need and engagement and office usage, as well as any wider opportunities for co-locating with partners and/or broadening our outreach footprint. This is consistent with the need to deliver value for money for the investment in public services. Reducing the size of our estate to achieve energy savings is also an ambition within the Climate Change Strategy 2020-2030.

d. Workstream 4: Organisational Culture

We will help our people to consider their existing work practices and embrace more sustainable ways of working.

Example Action: Update of mandatory Climate Change eLearning

SDS first launched a mandatory eLearning on Climate Change for all colleagues in 2020. The learning covers the basics of the science of climate change, myth busting, Strategic Context, Carbon Footprint & Reduction Progress, and the actions all colleagues can take to make a difference. This module is being updated with the next version due to be published in Summer 2024.