

**Scottish Futures Trust  
Sustainability Report 2015-16**

**August 2016**

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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 the 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 move to a low carbon economy – examples include digital connectivity which brings long term benefits to rural areas and our low carbon programmes across street lighting, non-domestic energy efficiency and district heating.

During the year ended 31 March 2016, despite our business activities continuing their expansion into new areas and the number of our employees increasing, both our absolute emissions and 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)			
	2015/16	2014/15	2013/14	2012/13
<b>Total Emissions</b>	<b>105</b>	<b>120</b>	<b>83</b>	<b>76</b>
Average FTE employees per annum	69	63	51	41
<b>Total Emissions per FTE</b>	<b>1.5</b>	<b>1.9</b>	<b>1.6</b>	<b>1.8</b>

We measure our carbon emissions in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). SFT's absolute carbon emissions decreased 12.5% from 120 tCO<sub>2</sub>e in 2014/15 to 105 tCO<sub>2</sub>e in 2015/16. Emissions per FTE employee fell from 1.9 tCO<sub>2</sub>e to 1.5 tCO<sub>2</sub>e. This decrease is predominantly attributable to a decrease in our travel emissions reflecting our operational activity in 2015/16.

This year's report records that:

- our recycling activities have increased in absolute terms, but reduced in relation to the number of employees
- metered electricity use has improved by both absolute and relative measures, with electricity use per FTE employee falling by a further 13%. Significantly, electricity is our only source of emissions that falls into the minimum reporting category (scopes 1 & 2).
- our emissions from business travel have decreased from 93tCO<sub>2</sub>e in 2014/15 to 81 tCO<sub>2</sub>e in 2015/16.

In 2016-17, we aim to consolidate our environmental impact at 1.5 tCO<sub>2</sub>e per FTE with a view to lowering the rolling four-year performance from 1.7 tCO<sub>2</sub>e to 1.65tCO<sub>2</sub>e per average FTE by 31 March 2017. In order to do this our environmental impact per FTE needs to remain at 1.5tCO<sub>2</sub>e.

## 1. 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 2015/16, 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.

## 2. Performance Commentary and Targets

### *Total Greenhouse Gas Emissions*

Our sustainability ambition for 2015-16 was to stabilise our carbon emissions per FTE employee compared to our 2012-13 baseline, with a view to setting future targets that take account of our business efficiency, productivity and other operational requirements. This target ambition was met, with emissions per employee of 1.5tCO<sub>2</sub>e falling below our 2012/13 baseline of 1.8tCO<sub>2</sub>e and our 2014/15 emissions per employee of 1.9tCO<sub>2</sub>e.

In 2016/17, our objective is to stabilise our carbon emissions per average FTE at 1.5 and measure our impact over a rolling four year period. The current four year average covering 2012/13 to 2015/16 is 1.7tCO<sub>2</sub>e – by stabilising our emissions at 1.5tCO<sub>2</sub>e this would give a rolling four year total of 1.65tCO<sub>2</sub>e.

### *Recycling*

Our 2014-15 recycling target was to continue to increase recycling rates, which has been achieved in absolute terms. Total carbon emissions diverted from landfill rose by 5% from 897 kgCO<sub>2</sub>e in 2014/15 to 945 kgCO<sub>2</sub>e this year.

### *Electricity*

Electricity use fell from 903 kWh/ employee in 2014/15 to 781 kWh/ employee in 2015/16, which is a 13% improvement.

### *Business Travel*

Emissions arising from business travel have fallen by both absolute and relative metrics, despite a 10% increase in our employee numbers from an average FTE of 63 in 2014/15 to 69 in 2015/16. Our total travel related carbon emissions per FTE employee fell 20% from 1.48 tCO<sub>2</sub>e / employee to 1.18 tCO<sub>2</sub>e / employee.

### 3. 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, controlled by third parties. This is the case for 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)			
		2015/16	2014/15	2013/14	2012/13
Scope 1	Refrigerant Leaks	negligible	negligible	Negligible	negligible
Scope 2	Electricity	22.2	26.3	24.3	25.4
Scope 3	Business Travel	81.0	93.4	58.8	50.2
	Electricity (T&D)	2.0	N/A	N/A	N/A
<b>Total Emissions*</b>		<b>105.2</b>	<b>119.7</b>	<b>83.1</b>	<b>75.6</b>
Average FTE employees per annum		69	63	51	41
<b>Total Emissions per FTE</b>		<b>1.53</b>	<b>1.90</b>	<b>1.63</b>	<b>1.84</b>

\*Note that emissions arising from waste disposal and recycling are omitted

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 rather than meter readings which would provide a more accurate basis as some of the variability between years is due to invoices being based upon estimated electricity consumption.

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

Area	Total Impact of Electricity Use			
	2015/16*	2014/15	2013/14	2012/13
Total electricity emissions (tCO <sub>2</sub> e)	24.2	26.3	24.3	25.4
Total electricity consumption (kWh)	53,860	56,873	49,244	48,723
Total electricity expenditure (£)	£9,962	£9,010	£9,420	£5,779

\*Note 2015-16 total electricity emissions is made up of Scope 2 emissions arising from generation and Scope 3 emissions arising from transmission and distribution

Table 3 shows electricity consumption, emissions and costs per employee over the same period. It shows a trend of decreasing impact which reflects are rising staff numbers.

*Table 3: SFT's Electricity Consumption, Cost and Emissions per Employee, Trend 2012-15*

Area	Impact per Employee of Electricity Use			
	2015/16	2014/15	2013/14	2012/13
Average FTE employees per annum	69	63	51	41
Total electricity emissions per employee (tCO <sub>2</sub> e)	0.35	0.42	0.48	0.62
Total electricity consumption per employee (kWh)	781	903	966	1,188
Total electricity expenditure per employee (£)	£145	£143	£185	£141

### 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. The policy has been successful with both total carbon emissions and emissions per employee falling this year compared to last. Details of carbon emissions arising from staff business travel are included in Figure 1 and Tables 4 and 5 overleaf.

The charts in Figure 1 detail the absolute carbon emissions from each mode of business travel which have decreased by 14% from 93tCO<sub>2</sub>e in 2014/15 to 80tCO<sub>2</sub>e in 2015/16. In 2014/15 public transport (including air travel) replaced car travel as the dominant source of business travel carbon emissions. This trend has continued in 2015/16, with air travel accounting for over 50% of transport emissions. Land based transport has reduced, with car travel demonstrating the greatest reduction in emissions. The increase in air travel has been in international flights, with domestic flights reducing in 2015/16.

Figure 1: Breakdown of Business Travel Emission (tCO<sub>2</sub>e) by Mode of Travel, 2015/16 (80tCO<sub>2</sub>e) and 2014/15 (93 tCO<sub>2</sub>e)

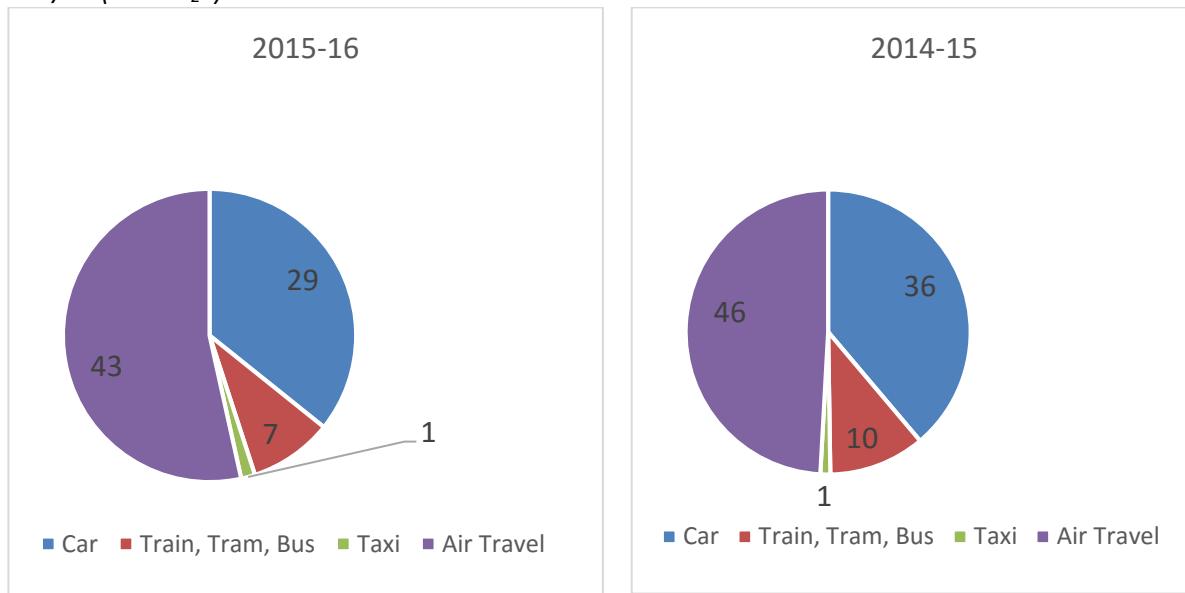


Table 4: Breakdown of Business Travel Mileage and Emissions by Travel Mode and Year

Travel Mode	Miles		tCO <sub>2</sub> e	
	2015/16	2014/15	2015/16	2014/15
Car	96,278	120,920	29	36
Train, Tram, Bus	94,273	141,189	7	10
Taxi	2,373	1,995	1	1
Air Travel	108,040	97,826	43	46
<b>Total</b>	<b>300,964</b>	<b>361,930</b>	<b>80</b>	<b>93</b>

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

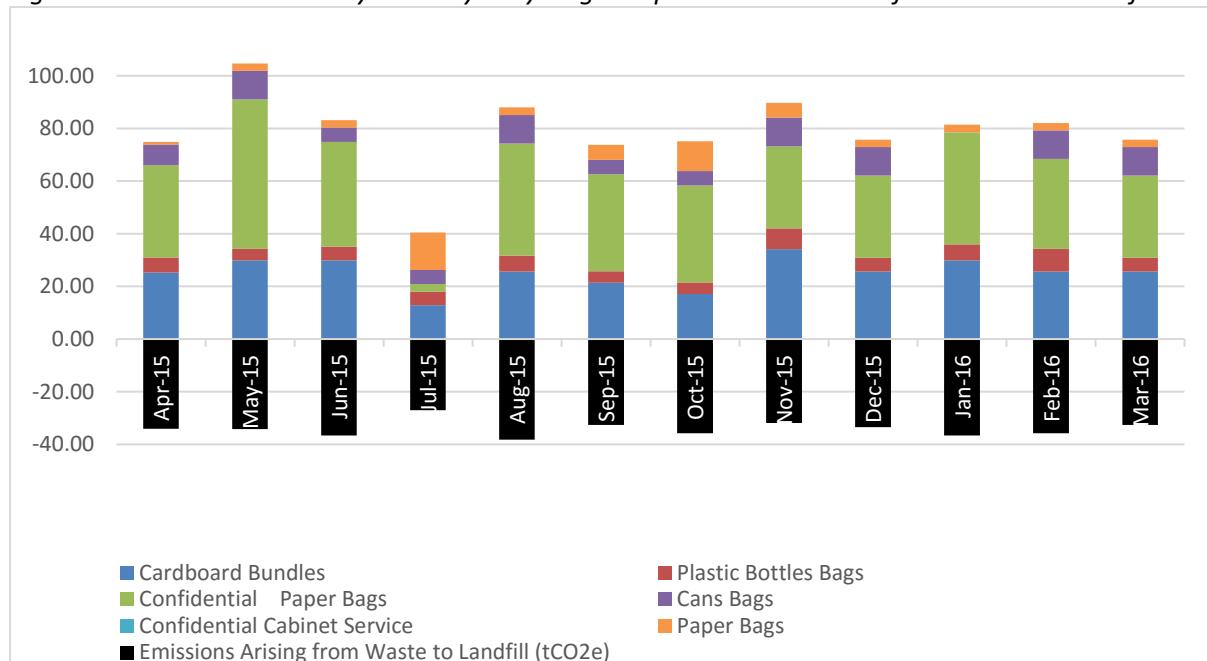
Travel Mode	Miles per Employee		tCO <sub>2</sub> e per Employee	
	2015/16	2014/15	2015/16	2014/15
Average FTE employees per annum	69	63	69	63
Car	1,396	1,919	0.42	0.58
Train, Tram, Bus	1,366	2,241	0.10	0.15
Taxi	34	32	0.02	0.02
Air Travel	1,566	1,553	0.62	0.73
<b>Total</b>	<b>4,362</b>	<b>5,745</b>	<b>1.16</b>	<b>1.48</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 recyclable materials collected from us and diverted from landfill, consistent with Zero Waste Scotland's Carbon Metric. Historically, no data has been available on the quantity of waste collected and sent to landfill, but this year Changeworks has added this service and associated data to its offering. Therefore, this year SFT is reporting upon both waste sent to landfill and its recycling activities, showing tonnes of CO<sub>2</sub>e arising from landfill disposal and tonnes

of CO<sub>2</sub>e averted by recycling activities. We report upon our six categories of recyclable waste and waste sent to landfill in Figure 2 below. They illustrate that confidential paper recycling is the dominant aspect.

*Figure 2: Emissions Averted by Monthly Recycling Component & Emissions from Waste to Landfill*

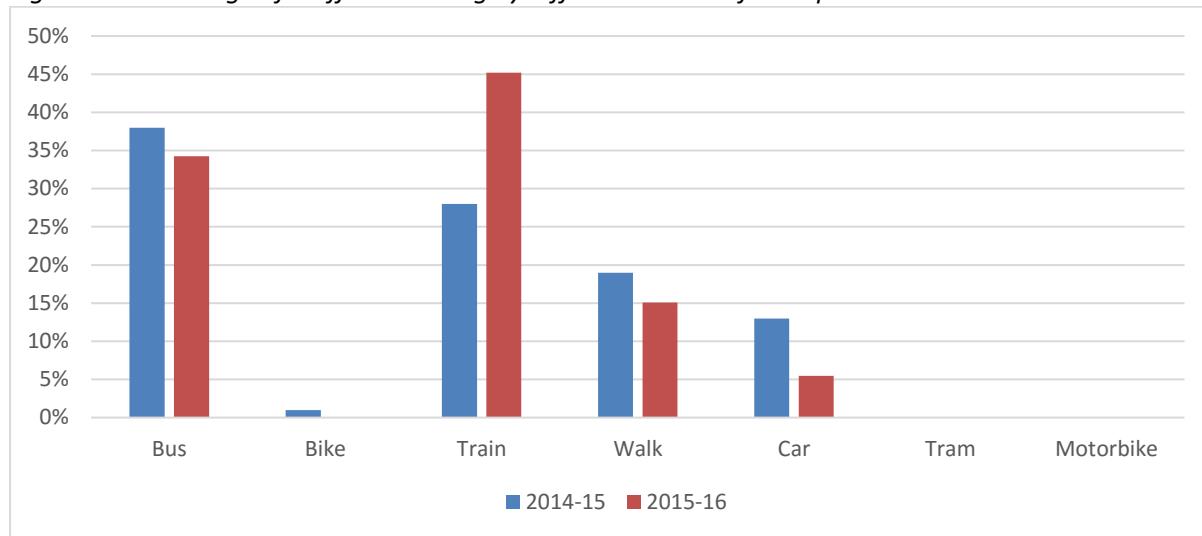


## Water

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 to 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 which are shown in Figure 3 overleaf. Public transport remains the dominant travel mode, with train travel having increased as a proportion of total commuting and all other transport modes reducing.

*Figure 3: Percentage of staff commuting by different modes of transport*

#### **4. 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.

#### **5. 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. This has a positive social impact for our employees. 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](#).

#### **6. Economic Impacts**

##### **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			
	2015/16	2014/15	2013/14	2012/13
Electricity	£9,962	£9,010	£9,420	£5,779
Business Travel	£99,352	£94,840	£48,143	£48,738
Waste Recycling	£5,063	£3,261	£2,683	£2,470
<b>Totals</b>	<b>£114,377</b>	<b>£107,110</b>	<b>£60,246</b>	<b>£56,987</b>

The main area of price increase is in Business Travel which reflects the increase in the average FTE number of staff which was 69 in 2015/16 and was 41 in 2012/13 an overall increase of 68%.

### **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 2015/16 Benefits Statement.

### **7. 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. 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.