

Agenda Item	11
Report No	HC/28/21

## HIGHLAND COUNCIL

**Committee** Highland Council

**Date:** 28 October 2021

**Report Title:** **Future Highlands – Health and Prosperity Strategic Partnership Plan SPP1: Green Energy Hub for Scotland**

**Report By:** The Chief Executive

### 1. Purpose/Executive Summary

- 1.1 Following Members’ support for the development of the “Future Highlands” strategy at the Council meeting in September, this report provides an update on the progress being made on the first Strategic Partnership Priority (SPP) “Highland – a Green Energy Hub for Scotland” and includes the high-level strategy at Appendix 1. It also provides an overview of how the remaining four strands are to be developed and reported to subsequent Council meetings.
- 1.2 There have been further discussions with many of the Council’s key partners in the intervening period who have expressed support for taking a holistic approach to planning for the future particularly with regard to the climate change agenda. Given our varying geographies and planning cycles, this will need to be undertaken on a flexible basis but with the maximisation of green opportunities as a shared goal.
- 1.3 The opportunities for collaboration on this SPP were highlighted in the last Council report including:
- Development of a Green Energy Hub at the Longman, Inverness
  - Green port - Opportunity Cromarty Firth
  - Greening the fleet - Shared hub and spoke place-based fleet depot; public and private sector collaborative
  - Highland Renewable Investment Fund
  - Shared new built infrastructure - schools, housing, hospitals, HMP Inverness prison and strategic ports.

### 2. Implications

- 2.1 Climate Change: Highlands’ approach to climate change is a major theme throughout all the Future Highlands Strategy and it is front and centre of the first Strategic Partnership Priority. Learning from the waste hierarchy, taking the approach of

Reduce; Re-use; Recycle; and only then, React to the Council's Capital Strategy and relevant Council policies, will ensure that every possible opportunity is used to meet and deliver the Council's climate change ambitions. Working to do the same with partners enables this to be done in a collaborative way to capitalise on joint approaches and investment.

In the case of municipal waste that cannot be recycled the waste hierarchy promotes the recovery of value from the waste by producing energy. The development of an Energy from Waste (EfW) plant combined with heat and power (CHP) as part of the green energy hub at the Longman site would enable the Council not only to comply with the ban on landfilling municipal waste in the long term but also lower the Council's carbon emissions. Zero Waste Scotland has estimated that sending one tonne of residual municipal waste to Energy from Waste (EfW) in Scotland in 2018 (even without heat networks in use) emitted 27% less carbon dioxide than sending the waste to landfill<sup>1</sup>. In addition, an EfW plant would also: avoid the need to transport waste outwith the region otherwise creating further emissions from transport; generate electricity for use and/or sale to the grid; enable electric vehicle charging for Council and partner fleet; and create potential to generate hydrogen. Heat outputs from an EfW plant could also support the development of heat networks which could benefit Council properties, domestic properties, partner buildings and business in East Inverness. As the master plan for the site develops other forms of renewable energy generation could be incorporated for the site to become a hub for the provision of green energy.

- 2.2 Resource: An acceleration of the steps being taken to address climate change is required and the Council's resources need to be aligned to investing in this approach. As set out in greater detail in the report to this meeting of the full Council on Medium Term Financial Planning, the capital strategy must be re-focused on Reduce; Re-use; Recycle; and React; Transformation investment needs to enhance the resource available to deliver the projects underpinning the Climate Change Strategic approach; and significant external funding secured to supplement the Council's investment. This is a spend to save approach because any failure to invest now will result in the Council facing far greater additional costs in the future.

Drawing on evidence from four studies and a peer reviewed options appraisal process, the Council agreed investment of up to £2.8m in September 2021 to develop a detailed and costed project plan for the development of a green energy hub at the Longman site, around an EFW combined heat and power plant. Work is underway to develop a programme of work to take this forward which will enable future decision points for Members on whether and how best to proceed.

- 2.3 Legal Impact/Risk: the Council has a number of requirements in respect of reporting against its climate change obligations, in addition to being required to directly support Scotland's target to end its contribution to climate change no later than 2045. This is the same for all public bodies and private and third sector organisations likewise have a number of legal obligations and financial incentives in relation to Climate Change.

---

<sup>1</sup> Zero Waste Scotland – The climate change impacts of burning municipal waste in Scotland, Technical Report, June 2021.

The Council's waste services operate in a highly regulated environment and the Council must comply with the landfill ban by the end of 2025<sup>2</sup>. The legal requirements governing the waste sector may continue to alter and the Scottish Government recently announced a review into the role incineration plays in Scotland's waste hierarchy including the need for new incineration capacity. The scope and engagement process of the review are not yet known but it is expected to take place between November 2022 and March 2023. The outcomes of the review will need to be taken into account. Any development of a heat network associated with an EFW plant would comply with the Heat Networks (Scotland) Act 2021.

2.4 Community (Equality, Poverty and Rural): the commitment to net zero and a Just Transition requires the creation of opportunities to develop resource efficient and sustainable economic approaches, with scope to address inequality and poverty. There are likewise connections to be made with the Council's affordable warmth approach and fuel poverty reduction work. In addition, the Highland Adapts initiative is taking a place-based approach; working with communities and partners to deliver climate change adaptation.

2.5 Gaelic: there are no direct implications arising as a consequence of this report.

### 3. **Recommendations**

3.1 Members are asked to:

- I. Note the progress being made to develop the first strand of 'Future Highlands' and agree the Strategy for SPP1 at Appendix 1.
- II. Agree to re-state the Council's endorsement of Opportunity Cromarty Firth and support their bid for Greenport and Freeport status;
- III. Agree that an Action Plan for SPP1 will be developed in partnership with key stakeholders and progress will be reported through the Climate Change Working Group;
- IV. Note that further updates on all five Strategic Partnership Priorities will be brought to future Council meetings;
- V. Note that detailed oversight of specific projects will be taken forward through the appropriate Strategic Committees and Boards.

### 4. **Background**

4.1 Taking the Christie Principles as a guide, the Future Highlands Strategy takes a pro-active collaborative approach to capitalising on the unique opportunities and natural assets available in the Highlands relating to green energy; tourism; workforce; and innovation, science and skills. The intention behind it is to encourage economic stability, recovery and growth which will revitalise Highland communities and towns and support affordability across public services in the Highlands.

4.2 The Strategy supports all aspects of the Council's overarching Vision: Ambitious, Sustainable, Connected, recognising that Partnership is a strategic driver in the Council's Organisational Framework and, following the support given to the approach

---

<sup>2</sup> Waste Management (Scotland) Regulations 2012.

at the Council meeting in September, discussions are now underway with partners across all sectors.

4.3 The 5 Partnership Priorities need to be seen as interlinked rather than standalone and acknowledging and developing the connected characteristics of the priorities will enable partners to make the most of the inter-relationships; streamlining how resources are allocated and maximising the outcomes that are delivered. The expectation is that this approach will strengthen the voice and raise the profile of the Highlands in Scotland, the UK and further afield to make the most of opportunities to draw investment into the region.

#### 4.4 Taking forward the five SPPs

This report focuses on the development of the first SPP: **Green Energy Hub for Scotland**. Much of Strategic Partnership Priority 2: **Health - Care Innovation** now needs to be seen in the context of the consultation and delivery of the National Care Service for Scotland by the Scottish Government which is the subject of a separate report to the Council. Strand 3: **People - Living Healthy, Thriving and Inclusive lives** and Strand 4: **Place – Place-based Planning and Investment in Communities** will be brought forward for consideration to Council in December. The Medium-Term Financial Plan is driving forward the last SPP on **Investment – Financial Investment and Asset Strategy**. However, there are significant inter dependencies between Strands 1 and 5 which is why it is helpful to consider reports on both Themes at the same meeting of the Council.

### 5. **Strategic Partnership Priority 1: The Green Energy Hub for Scotland**

- 5.1. The transition to a net zero economy represents a very significant economic, social, ecological and industrial opportunity for the Highlands, whilst a failure to do so presents major risks. The Council's approach to all future planning and investment therefore needs to be thought of in terms of "**Green First**". This is also reflected in the Medium-Term Financial Planning report also on the Council agenda.
- 5.2 There are many ways in which taking a partnering approach to collaborate on major projects will achieve best value; lever investment; contribute to the delivery of zero emissions; comply with the ban on landfill of residual municipal waste; collocate and share assets and resources; and jointly tackle the major challenges of housing, infrastructure, economic development and the ageing demographic.
- 5.3 A number of opportunities for collaboration on major projects were highlighted in the last Council report including:
- Free port / Green port - Opportunity Cromarty Firth
  - Development of a Green Energy Hub at the Longman, Inverness
  - Greening the fleet - Shared hub and spoke place-based fleet depot; public and private sector collaborative decarbonising surface transport
  - Highland Renewable Investment Fund
  - Shared new build infrastructure - schools, housing, hospitals, HMP Inverness prison and

- strategic ports.

- 5.4 In addition to these, and as set out in the Medium-Term Financial Planning report, the Council needs to reflect on the size of its built estate before considering new projects to include in its capital programme. **Reduce, Re-use, Recycle** must be recognised and adopted as guiding principles if Climate Change reduction targets are to be met. Only where no other opportunity exists, should expenditure **'React'** to demands for investment – for example, to maintain a safe road network, address health and safety requirements or ensure sufficient school capacity.
- 5.5 The September report on the Future Highland Strategy focused on a key opportunity to develop the Longman site as a green energy hub and this received the full support of Members. This time a particular focus for Member endorsement is the Opportunity Cromarty Firth (OCF) partnership. In early 2021 a Member workshop was held to highlight the OCF opportunity, leading to cross-party support for the project. On 25<sup>th</sup> March Highland Council approved the outline approach to hydrogen and supported the OCF consortium's intention to submit a Greenport bid to the Scottish Government. Running almost in parallel, the UK Government's creation of a number of strategic Freeports promises a package of tax and customs benefits to the successful bidders designed to create jobs, increase international trade, contribute towards the regional levelling up agenda and serve as hubs for innovation. Both schemes can be bid for in tandem and the opportunities they offer for the Highlands are summarised in a case study in the attached Strategy document.
- 5.6 The timescales for both schemes are not known for certain at this stage, but it is expected that the bidding process for Freeports is likely to commence in the next few weeks, with Greenports coming a relatively short time after. In the case of Freeports, at least one Scottish bid will be selected. It is expected that bids for both Freeport and Greenport status will be made by a number of other Scottish local authority areas and that competition will be strong. However, the Cromarty Firth has been identified by both industry and Government as the best site for a strategic national offshore wind hub (as highlighted in the [Crown Estate Scotland Ports Study](#), the [Strategic Infrastructure Assessment](#) undertaken for the Scottish Offshore Wind Energy Council and in several studies undertaken by the Offshore Renewable Energy Catapult, which should place OCF in a strong position).
- 5.7 Another key aspect of a successful bid will be to demonstrate strong local government involvement, alignment and support and so the Council is asked to re-state its full endorsement of Opportunity Cromarty Firth, to support bids for both Greenport and Freeport status and agree to continue to work together in partnership with the OCF Consortium.
- 5.8 A further major partnership opportunity is presented by the region is our ability to sequester carbon. It is unlikely that Scotland will reach its 2045 ambition to end our collective contribution to climate change without Highland's land holdings playing a huge role. Council officers have already had high-level discussions with a number of potential partners including NatureScot, RSPB, Scottish Land & Forestry who agree

that a partnership approach would be beneficial and unlock many of the challenges being faced around this agenda.

- 5.9 Housing: In the report to Council in September, housing was placed under the SPP2 heading although it was acknowledged that this theme overlaps significantly with all of the SPPs. The Scottish Government's plans to introduce a National Care Service will mean that much of the Council's approach to SPP 2 will need to be progressed in the context of the national consultation process. However, the Government has not yet confirmed whether or not housing will be in the scope of the NCS and, even if it is, the Council needs to think 'Green First' in terms of all new plans for housing as well as looking at what can be done to improve its own stock. Consequently, this will also be included in the Strategic Plan for SPP1.

## 6. Next Steps

- 6.1 Members are asked to consider and approve the high-level Strategy for **Strategic Partnership Priority 1: The Green Energy Hub for Scotland** at Appendix 1. This is populated with examples of the type of activity that will enable the Council and partners to achieve our goals through taking a collaborative approach but also leaves the way open for new partnership activity to be explored on both a pro-active and opportunistic basis.
- 6.2 It is proposed that a strategic partnership group is established to undertake a SWAT (Strengths Weaknesses Opportunities Risks) and Pestle (Politics, Economic, Social, technological, legal and Environmental) analysis of the internal and external factors affecting the delivery of our climate change ambitions and draw up an associated action plan – as set out in Section 5 of the attached strategy document. Progress would be reported to future meetings of the Climate Change Working Group. Individual projects will be reported through the appropriate Strategic Committee or Board.
- 6.3 It should also be noted that these are not the only steps the Council needs to take to meet its climate change requirements. The Council must also act unilaterally to get its own house in order. There is an extensive workplan already in place, overseen by the Climate Change Working Group and reported through E&I Committee and other Committees where appropriate e.g. decarbonising fleet is reported to the Communities and Place Committee. Alongside this, the Council must agree a Net Zero Action Plan and route map and this is currently being developed with collaboration across all Council services and with the intention to bring back to Council for approval.
- 6.4 Work is underway to progress the project plan for the green energy hub at the Longman site in Inverness. This is also included as a case study in the appendix. The phasing of work and early steps will be considered by the Member Waste Strategy Working Group, which meets next on 5<sup>th</sup> November 2021, with regular update reports provided to the Communities and Place Committee.

Designation: Chief Executive

Date: August 2021

Author: Kate Lackie, ECO Performance and Governance, Carron McDiarmid  
ECO Communities and Place, Malcolm MacLeod, ECO Infrastructure and  
Environment

# Strategic Partnership Priority 1: Highland - The Green Energy Hub for Scotland

## Table of Contents

1. Executive summary
2. Future State
  - Strategic objectives
  - Draft Vision statement
  - Core Values
3. High-level Goals and Objectives
  - Strategic Objective 1: Energy Action
  - Strategic Objective 2: Built Environment & Waste Action
  - Strategic Objective 3: Transport Action
  - Strategic Objective 4: Environment Action
4. Strategic Plan
  - SO1: Energy
  - SO2: Built Environment and Waste
  - SO3: Transport
  - SO4: Environment
  - Financial considerations
  - Action Planning



## 1. Executive summary

Following the Highland Council's support for the development of the "Future Highlands" partnership approach in September 2021, it was agreed that a strategy would be developed to deliver against each of the five Strategic Partnership Priorities (SPPs). This is the Strategy for SPP 1: "Highland – a Green Energy Hub for Scotland"

The Strategy is set out in 4 sections:

- Executive Summary
- Future State
- High Level Goals and Objectives
- Strategic Plan

Section 2 sets out the **Strategic Objectives** across 4 key themes: Energy; the Built Environment and Waste; Transport; and the Environment. It also provides a draft **Vision Statement**, underpinned by **Core Values**, and builds on existing agreed Council commitments to make the Highlands an exemplar carbon action region by optimising its rich and diverse assets.

Section 3 provides the **high-level objectives** against each of the 4 themes, whilst Section 4 develops these further by identifying Priorities for Action – a list of main current and future projects and approaches. Indicative case studies are provided for a number of these to give more detailed insights into the work that is underway.

Section 4 also highlights the **financial considerations** involved, linking the strategy to the Council's Medium Term Financial plan and highlights opportunities to attract external funding through coordinated partnership activity as well as re-focusing Council spending and investment, presenting it as a Spend to Save approach.

Finally, a **Strategic Partnership Group** will be established to compile an **Action Plan**, listing each project/initiative with timelines for delivery. This will be a live document and new projects and partners can be added as and when appropriate. The same group will undertake an analysis of the internal and external environments affecting the delivery of regional climate change projects to assist with the identification of mitigating actions to support delivery against the Plan.

## 2. Future State

### Strategic objectives

Highland is the largest council area in the UK and offers unmatched potential to contribute positively towards UK and Scottish Government net zero ambition, largely through the region's green energy resources and carbon sequestration opportunities. The energy and low carbon sectors in Scotland support tens of thousands of jobs and generated £46.4bn in turnover for Scotland in 2018. The transition to a net zero economy represents a very significant economic, social, ecological and industrial opportunity for the Highlands. Low carbon and renewable energy are fast-growing areas of opportunity and have the potential to be significant contributors to the Highland economy. The strategy will be an asset in promoting the Highlands to new investors and promoting its green credentials as a leader in renewable energy. Furthermore, a sustainable and successful energy sector will also underpin wider regional economic growth in the Highlands.

The strategic objectives are to **jointly** take action across the 4 key headings: Energy; Waste and the Built Environment; Transport and Environment.

The Future Highlands strategy takes a pro-active collaborative approach to capitalising on the unique opportunities and natural assets available in the Highlands. The intention is to encourage economic stability, recovery and growth which will revitalise Highland communities and towns.

The Strategy supports the Council's overarching Vision: **Ambitious, Sustainable, Connected**, recognising that Partnership is an essential strategic driver and enabler of the transition to net zero. This approach will strengthen our collective voice and raise the profile of the Highlands in Scotland, the UK and further afield to make the most of opportunities to draw investment into the region.

### Draft Vision statement

*Working together to make the Highlands the exemplar carbon action region for Scotland*

The already agreed Indicative Regional Spatial Strategy has the following overarching vision:

By 2050, Highland will be an exemplar carbon action region by optimising its unique, rich and diverse assets to lead national emissions reduction targets. Our unmatched land, coast and water environment and natural, built and cultural heritage – which define the character of Highland – will be safeguarded, enhanced and internationally celebrated.

Highland will have transitioned to a green, circular economy which maximises the value of existing core industries, helps attract new and emerging sectors and diversifies jobs and skills. This will maintain and enhance Highland's role as a global centre of excellence for renewable energy innovation and generation and one of the most attractive sustainable leisure, recreation and tourism destinations in the world.

Highland communities will function as networks of locally resilient and self-supporting places with equality of access to housing, education, healthcare, work, food, energy, transport, culture, recreation, leisure and virtual connections. Optimising how our existing infrastructure supports and sustains the Highland population and the wider Highlands and Islands region will be an ongoing priority. In delivering this vision, we will collaborate with our communities and partner agencies, recognising the need for a just transition which is fair and equal.

The Future Highland Partnership Strategy will influence and support positive change for the Highlands by progressing the region's climate change agenda, striving to achieve net zero emissions through a targeted focus on the green energy opportunities the region offers, whilst also developing new approaches to maximising the sequestration potential of Highland and building our climate resilience.

## Core Values

The Core values underpinning the Partnership strategy are:

*Collaboration, Innovation, Sustainability*

### 3. High-level Goals and Objectives

#### Strategic Objective 1: Energy Action

- Maximise the economic, social and community benefits from the energy sector across the Highlands
- Champion Highland based businesses to secure funding to deliver world class innovative renewable energy initiatives
- Secure a fairer share of income derived from the development of the region's natural resources
- Develop Hydrogen & Low Carbon Heat Strategies including Local Heat & Energy Efficiency Strategy
- Develop a green energy hub at the Longman site in Inverness
- Support local community led initiatives and action through place-based approaches
- Work in partnership to reduce fuel poverty by providing energy efficiency measures to owner-occupiers and private rented tenants
- Support Council and housing association tenants through affordable warmth projects

#### Strategic Objective 2: Built Environment & Waste Action

- Take a Reduce, Re-use, Recycle and Recover other value approach to existing infrastructure and new investment
- Collaborate with partners and the Scottish Government to raise awareness, improve recycling rates, generate new ideas and reduce waste
- Support community led zero waste initiatives through place-based approaches
- Radically reduce the Council's built estate; collocate with partners and relocate to town and city centres
- Support community ownership and asset transfers to re-purpose buildings and improve their energy efficiency
- Collaboration on new built/shared premises across public and private sector
- Ensure that a fabric first approach is taken to the built estate

#### Strategic Objective 3: Transport Action

- Take forward our plans for decarbonising the Council's light and heavy fleet
- Develop hydrogen use for fleet
- Work with public and private sector partners to deliver innovative and improved low carbon public transport options
- Work with public and private sector partners to increase active travel
- Collaborate with partners to develop shared hub and spoke place-based depots and infrastructure for decarbonising fleet;

#### Strategic Objective 4: Environment Action

- Landscapes as carbon sinks
- Peatland restoration
- Develop coastal adaptation solutions including tree planting, sand dune strengthening, saltmarsh restoration and floodplain development
- Map the blue carbon resource of the region and developing mechanism to enhance it

## 4. Strategic Plan

### SO1: Energy

- Opportunity Cromarty Firth
- Energy Hub at the Longman
- Highland Renewables Investment Fund
- Ness Hydro
- Hydrogen and Low Carbon Heat strategies
- Off-shore wind energy
- Development of on-shore wind

#### **Case Study: Opportunity Cromarty Firth (OCF)**

Opportunity Cromarty Firth is identified in the Council's Member-approved Indicative Regional Spatial Strategy where it is identified as a candidate national development and a key regional priority for addressing a wide range of local and national outcomes, not least:

- the Climate & Ecological emergency, with Highland optimising its unique unmatched role as a low carbon region for Scotland and the UK;
- providing a catalyst for decarbonisation and energy transition;
- delivery of green circular economy, diversification of workforce and retention of young people;
- investing in infrastructure, including ports, heat and transport networks; and
- supporting the regeneration, recovery and resilience of local communities including the need creation of well-paid, sustainable jobs and opportunities.

The Cromarty Firth is uniquely positioned with a 50-year pipeline of multi-billion pound offshore wind projects on its doorstep. No other site is better placed. The size and scale of this project pipeline is a once-in-a-generation opportunity which, if managed strategically and collaboratively, would attract new manufacturing for floating offshore wind and green hydrogen production; securing work in clean energy for people and companies across the region for generations.

The Firth is unique in Scotland in having the scale of landside space and sheltered anchorages to meet the considerable challenges of accelerated deployment over the coming decades. As a result, it has been identified by both industry and Government as the best site for a strategic national offshore wind hub (as highlighted in the [Crown Estate Scotland Ports Study](#), the [Strategic Infrastructure Assessment](#) undertaken for the Scottish Offshore Wind Energy Council and in several studies undertaken by the Offshore Renewable Energy Catapult).

Both Scottish Government and UK Government have announced an intention to launch separate bidding rounds for Freeport (UK Govt) and Greenport (SG) status. Confirmation of any announcement from either Westminster and/or Holyrood is awaited.

The coalition has fourteen partners, including four port facilities collaborating to provide a cluster of sites able to maximise jobs and business opportunities for people across our region, Scotland and the UK. Members also include the Highland Council, UHI, SDS, and HITRANS.

In early 2021 a Member workshop was held to highlight the OCF opportunity, leading to cross-party support for the project. On 25<sup>th</sup> March Highland Council approved the outline approach to hydrogen and OCF and support the OCF consortium's intention to submit a Greenport bid.

### **Case Study: Energy Hub at the Longman**

The Council has considered the long-term options for its residual municipal waste for many years. Since 2019, four studies have reported which informed an options appraisal. This work is pressing given the ban on landfilling municipal waste comes into effect by the end of 2025.

The preferred long-term option is to develop an Energy from Waste (EFW) combined Heat and Power (CHP) Plant at the Longman site in Inverness. This solution would not only deal with the need to comply with the landfill ban and lower associated carbon emissions, but also recover energy from waste for a range of uses. This includes electricity generation for public and commercial electric fleet charging, for use in public and commercial buildings, for onward sale to the grid (with off-setting Council energy bills), for a heat network to East Inverness for Council, partner and domestic properties and with potential for future hydrogen generation.

In September 2021 the Council approved funding to develop a detailed and costed project plan this development. Alongside the development of the masterplan for the site, early work will include engagement with partners and business interest, detailed site surveys for engineering, ecological and compliance needs, research into funding models (capital and revenue) and preparing for pre-planning application advice. The team to take this forward also needs to be identified at an early stage.

As further information is provided there will be decision points for Members to agree how best to proceed.

### **Case Study: Highland Renewables Investment Fund**

Since funding was approved, officers have been preparing a scope for the work to form the basis of a tender to be published in November 2021. At present, the key objectives are as follows:

- To identify gaps in legislation that currently facilitate the exploitation of a Local Authority's natural resources to the benefit of others outwith the region. This will present opportunities for Members to make the case for change to respective national bodies and both the Scottish and UK Governments.
- To understand the scale of currently operational renewables generation, what is in the pipeline and what future projects are planned or can be expected. This information will provide the context and lay the groundworks for positioning Highland as Scotland's "green energy hub" as well as highlighting Highland's contribution and importance in respect of national climate change targets and the low carbon agenda. Horizon scanning will also provide a sense of what is possible over the coming decades.
- To highlight the benefits (income generation, company profits, job creation, skills, careers, infrastructure build, improved utilities, other advantages) the region gains from green energy schemes including those from direct planning conditions.
- To consider and advise on how the Council can best utilise planning conditions to maximise benefit.
- To consider best practice, agreements, and other models in play elsewhere that could be utilised to benefit Highland Council.
- To consider community benefits and how much control Highland Council has over that, bearing in mind the voluntary nature of these schemes.
- To consider how Highland Council can be involved in control, investment, community shares, management, maintenance, design and supply chains in green energy and renewables schemes.
- To identify local energy opportunities that will directly reduce levels of fuel poverty across the region.
- To identify the practical steps required and benefits of setting up a Highland Renewables Fund drawn directly from the green energy/renewables' schemes in the Highland Region.
- To provide a template for future demand and pressures on natural resources such as water.
- To clearly articulate what Highland Council needs to do to deliver a strategic benefit over the next ten years as part of an ongoing legacy for the people of Highland region.

### **Case Study: River Ness Hydro**

The Council is working with various internal and external partners to develop the interactive content for the River Ness Hydro (RNH). By building these partnerships with organisations such as Scottish Canals, HLH, Visit Inverness Loch Ness and Science Skills Academy, it has allowed the project to be more multi-dimensional and holistic, providing a long-term, multi-faceted asset for the city. The opportunities going forward are having a constructive sounding board, representing a range of views and opinions which will ensure we will develop a unique visitor experience at the RNH.

## SO2: Built Environment and Waste

- Green Impact tool for sustainability action
- Collocation opportunities
- Asset Rationalisation
- Fuel Poverty reduction and affordable warmth
- Fabric First Approach

### **Case Study: Collocation opportunities**

Work is underway in Portree looking at potential public sector co-location, as well as work with NHS Highland and HIE in Caithness. We are also working closely with the Strategic Territory Partnering Board comprising Local Authorities across the north of Scotland, NHS Boards, HIE, Police and Fire to identify potential partnering projects as part of a North Infrastructure Commission.

### **Case Study: Green Impact**

Green Impact is a United Nations award-winning programme designed to support environmentally and socially sustainable practice in a range of organisations. It has been developed over the last 12 years by the National Union of Students (NUS) and is now delivered by Students Organising for Sustainability (SOS), an educational charity created by NUS in response to the climate emergency and ecological crisis. Green Impact is being delivered at The Highland Council through online toolkit software, which has been custom-made to fit our requirements. The toolkit offers a platform on which “teams” can set, record and evaluate sustainability goals in respect of waste, energy, transport etc, over the course of a year. The University of Highlands and Islands (UHI) has supported the Council’s Green Impact programme by including volunteering with Green Impact in their list of accredited activities for MSc Geography students. As a result of this, around 20 students have each volunteered 120 hours of their time to support the rollout of Green Impact as Sustainability Officers. These students have received full training from SOS, as well as support from their tutors at UHI and the Council’s Climate Change & Energy Team.

## SO3: Transport

- Heavy and light fleet decarbonisation
- Hydrogen transport & refuelling infrastructure
- Electric Vehicles and shared economy

### **Case Study: Partnership with Aberdeen City Council**

The Highland Council has been working with Aberdeen City Council, and another 10 other organisations, over the past year (as part of the Interreg Smart HyAware project) to explore potential hydrogen uptake from Council vehicle fleets. The review concluded that 92% of our collective fleets could potentially use hydrogen if vehicles were available. Unfortunately, the review also concluded that full Fuel Cell Electric Vehicles are not likely to become available until 2025. In order to address this the Study recommended that the organisations involved continued to collaborate to share best practice, training, learning, funding opportunities and progress hydrogen vehicle procurement and hydrogen infrastructure roll out.

By working together, we could establish economies of scale and efficiencies. Given the Commercial and Procurement Shared Service between Highland, Aberdeenshire and Aberdeen City Council this is ideal opportunity to utilise Aberdeen City Council's hydrogen network and benefit from their experience. Aberdeen City Council has also been awarded feasibility funding for infrastructure.

They are currently exploring the ideal "footprint" of a satellite hydrogen refuelling station (fuelled from a central production site). While work will initially focus on Aberdeen's needs, as they have a requirement for hydrogen in the short term, they have also offered to share the specifications of this and facilitate review of a site in Inverness if this is of interest. There may also be collaboration opportunities for supplies of green hydrogen if required in the short term as well, or as a reciprocal back up supply in the case of any shortages in the medium-long term.

### **Case Study: Electric Vehicles and shared economy**

The Highland Council is actively working towards the Scottish Government's targets for net zero emissions from Light Commercial Vehicles (LCV) by 2025 and Heavy Goods Vehicles (HGV) by 2030. A Strategic Control Plan is in place for the fleet decarbonisation project and includes a collaborative approach as a key value. Throughout the project, the Council aims to engage with partners to better understand common goals and develop partnership opportunities to help realise economies of scale and scope through strong cross-organisational working.

We are currently doing this in a range of ways:

- Building relationships with partner organisations to identify possible asset sharing/co-locating. An example includes discussions with Police Scotland with possibilities of sharing costs for EV infrastructure, as well as the roll-out of car club vehicles for business travel through our partnership with Enterprise Car Club.
- Working with Aberdeen City Council and Aberdeenshire Council on a collaborative approach to vehicle and infrastructure procurement. This approach offers opportunities for shared learning, cost savings and fleet and maintenance services optimisation.
- On a community level, working in partnership with community organisations for the installation of EV charging infrastructure. As part of the HiTRANS FASTER project, the Council are investigating types of ownership and operating models for community EV charge points.



## SO4: Environment

- Flow Country
- Climate Action Coastlines
- Climate Change Adaptation
- Green Growth Accelerator
- Heritage Horizons - CNPA
- Mapping of carbon sequestration opportunities

### **Case Study: Landscapes as Carbon Sinks (Flow Country)**

Landscapes as Carbon Sinks (LaCS) is a Deep Demonstration programme of EIT Climate-KIC. The project supports those tasked with delivering change in the land sector to design systemic transformations towards Scotland's Net Zero target. Landscapes as Carbon Sinks is a collaboration between The Edinburgh Centre For Carbon Innovation, EIT Climate-KIC, the University of Edinburgh's Centre for Sustainable Forests and Landscapes (CSFL), and a number of European partners: ETH Zurich, INRAE, ONF International, The Nature Conservancy, Wageningen Research, and WWF Landscape Finance Lab. The initiative brings together research, policy development, business innovation, access to financial investment, and land management expertise to co-design and deliver low-carbon economies and landscapes. The LaCS project has selected The Flow Country 'landscape' as a research site for its programme and is partnering with The Peatlands Partnership for the duration. The Peatlands Partnership comprises core members, including The Highland Council, which support the implementation of the management strategy document 'The Peatlands of Caithness and Sutherland'. The role of The Peatlands Partnership is to offer local knowledge and expertise and to promote community engagement with LaCS.

### **Case Study: Highland Adapts**

The Highland Council, is one of eight statutory strategic partners driving forward climate adaptation in Highland through the Highland Adapts initiative; bringing our communities, businesses, land managers and public sector together to facilitate transformational action towards a prosperous, climate-ready Highland. Highland Adapts is a member of the Transboundary Adaptation Learning Exchange (TaIX), whereby adaptation practitioners from Scotland, England, Wales, Northern Ireland and Ireland meet to share best practice. Furthermore, the initiative is a member of a number thematic groups led by Adaptation Scotland.

## Financial considerations

An acceleration of the steps being taken to address climate change is required and the Council's and partners' resources need to be aligned to investing in this approach.

As set out in the Council's Medium Term Financial Plan, the capital strategy must be re-focused on Reduce; Re-use; Recycle; and React; Transformation investment needs to enhance the resource available to deliver the projects underpinning the Climate Change Strategic approach; and significant external funding secured to supplement the Council's own investment. This is a spend to save approach because any failure to invest now will incur far greater additional costs in the future, whilst investing in the development of new energy sources has potential to deliver an income stream.

Taking a regional, cross-sectoral approach to climate change action will also mean the area is more likely to be successful in securing external funding for projects and to be able to invest in a way that will have greatest impact.

#### Action Planning

The Strategic Partnership Group will oversee the preparation of an Action Plan listing each action/project; who is responsible for leading it; which partners are involved; and how it is being funded. It will also include a timeline for completion and key performance indicators to monitor progress. This will be a live document and new projects and partners can be added as and when appropriate. Progress against the Plan will be reported to the Council's Climate Change Working Group. Individual projects will be reported to the appropriate Strategic Committee.

The Strategic Partnership Group will also undertake an analysis of the internal and external environments using PESTEL to identify external or macro factors affecting the delivery of climate change actions; a SWOT analysis and an assessment of risks and barriers to implementation to assist with the identification of mitigating actions to ensure delivery against the plan.