

Agenda Item	26
Report No	CCC/26/25

# The Highland Council

**Committee:** Climate Change

**Date:** 5 November 2025

**Report Title:** Net Zero Thematic Group Interim Update - Built Estate & Energy

**Report By:** Assistant Chief Executive - Place

## 1 Purpose/Executive Summary

1.1 The report provides an interim update on the progress of work being undertaken by the Built Estate and Energy Thematic Group.

## 2 Recommendations

2.1 Members are asked to **note**:-

- i. the contents of this report; and
- ii. that a detailed update on the work being progressed through the Built Estate and Energy Thematic Group will be presented to the Climate Change Committee in January 2026.

## 3 Implications

3.1 **Resource** - the function of the Net Zero Thematic group requires significant staff time across Council services and High Life Highland (HLH).

3.2 **Legal** - the Council has several 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.

3.3 **Risk** - failure to proactively address the climate and ecological emergency across all service delivery areas carries significant reputational risk, particularly considering the political ambition at both local and national levels around the climate change agenda. In addition, failure to take a proactive approach to climate change action will limit opportunities to secure external funding.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - No implications arising from this report.

3.5 **Gaelic** - No implications arising from this report.

#### **4 Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is a monitoring and update report and therefore an impact assessment is not required.

#### **5 Thematic Group Re-configuration**

5.1 The representation of the thematic group is currently undergoing reconfiguration to meet priorities, staff resource and workload requirements. Accordingly, the updates provided within this paper are limited in detail, with the focus being on key current and upcoming workstreams and initiatives.

5.2 A detailed update on workstreams being progressed through the Built Estate and Energy Thematic Group will be presented to the Climate Change Committee in January 2026.

#### **6 Market-wide Half-Hourly Settlement (MHHS) programme**

6.1 The MHHS programme has been mandated by the energy regulator Ofgem and applies to the whole of the UK.

6.2 MHHS introduces new rules to improve the accuracy of how energy consumption is measured. Energy use will be settled in half-hourly intervals, providing a more precise picture of electricity usage. It is envisaged that the transition to MHHS will enable a more intelligent and flexible energy system. This in turn will support the UK's net zero targets and promote a competitive retail market aligned to actual usage.

6.3 Practically it will predominately entail the replacement of older style electricity meters with modern equivalents such as smart meters or Automated Meter Reading (AMR) meters.

6.4 The timeline for programme implementation is as outlined below:-

<b>Date</b>	<b>Activity</b>
Oct 2025	Begin migration for:- <ul style="list-style-type: none"> <li>• Unmetered Supplies</li> <li>• Advanced Metering Systems</li> <li>• Smart meters</li> <li>• Non-Smart meters</li> </ul>
Oct 2026	When all suppliers must be able to access Meter Point Administration Numbers (MPANs) under the new MHHS Target Operating Model (TOM)
May 2027	Full transition complete (the end of meter migrations)
July 2027	Completion

6.5 Over the period March 2025 to August 2025, the Energy Team successfully co-ordinated the replacement of approximately 140 Radio Teleswitch Service (RTS) meters, which were operationally time-limited due to the phasing out of the long wave communication and control system used. The replacement meters are fully compliant with the requirements of the MHHS.

6.6 The assessment, planning and scheduling for the replacement of a further 700-800 older meters across the non-domestic estate has been initiated by the Energy Team. It is envisaged that this will begin in April 2026 and run through to March 2027. In a similar manner as with the RTS meters, liaison will be undertaken with occupying services to minimise disruption wherever possible, however some short-term impact to building operation and associated service provision will occur on occasion.

## 7 Heating System Assessment - Summer Holidays 2025

7.1 A joint assessment, by the Climate Change and Energy Team (CCET) and Property Management, was undertaken of the status of heating systems during the first week of the school summer holidays. The Council's Heating Policy, approved in May 2024, states that heating systems should be switched off during the non-heating season, which covers more than just the school holiday period.

7.2 Of the 117 sites remotely accessed it was found that:-

- 93 had their heating systems fully operational;
- 11 sites had their systems operational but with reduced hours; and
- 13 sites had their heating system switched off

7.3 Sites with operational heating systems were reviewed to check that it would not have a detrimental impact if their systems were isolated. Where this was the case and where they were remotely accessible, the systems were then remotely switched off (83 in total).

7.4 Based upon a conservative estimate of heating-related energy consumption attributed to the summer holiday period, the following savings were determined:-

<b>Energy (kWh)</b>	<b>Carbon (tCO2e)</b>	<b>Value (£)</b>
592,899	70.3	48,298

7.5 Work has already been initiated to:-

- re-issue guidance to sites regarding the control of heating systems; and
- ensure staff resource is available to meet with Head Teachers, Responsible Premises Officers (RPOs) and Facilities Management Teams to discuss the procedures for adjusting heating systems and the support available to them.

7.6 Further, it is planned to repeat this exercise annually and incorporate a requirement for in-scope properties to confirm heating systems have been switched off by the end of June each year.

7.7 The proposed work would seek to realise the following benefits:-

- reduced consumption, carbon emissions and costs associated with heating-related energy consumption;
- enhanced compliance with Council Policy; and
- better control of heating systems, with associated internal environmental conditions for staff and pupils.

## **8 Net Zero Transition Surveys**

8.1 As of September 2025, 186 surveys have been undertaken, with 133 reports completed and the remainder in development.

In total 1,295 energy efficiency opportunities have been identified and evaluated, in summary broken down as follows:

8.2 Behaviour Change: 477

- 77 relating to summer savings, as detailed in Section 7 of this report; and
- 400 other behavioural and on-site maintenance measures

These types of savings are predominately achievable at no cost or with minor expenditure and can often be implemented directly by site staff. Examples include draught proofing, time clock adjustment, periodic checks etc.

8.3 Energy Efficiency Works: 575  
Renewables Energy Generation: 101

These opportunities typically require a higher degree of expenditure to achieve and the input of technical staff from Property Maintenance. Examples include heating control upgrades, insulation, Building Management System, removal of domestic hot water storage provision etc.

Given the requirement for investment the following breakdown summarises the calculated payback period:-

- Less than 10 years: 554; and
- Between 10 and 20 years: 122

#### 8.4 Net Zero Transition measures: 129

These measures predominately focus on the transition away from fossil fuels and often require significant expenditure and incur significant disruption to the operation of a property.

As the return on investment often exceeds 20 years it is not recommended to progress these measures on a stand-alone basis. However, they identify net zero alternatives which would be cost-effective should the need arise to replace existing fossil-fuel based plant, e.g. when boiler plant fails or has reached the end of its economic life.

Additionally, 41 opportunities were identified for the introduction of Electric Vehicle charging.

#### 8.5 To date, 107 opportunities have been implemented with cost and carbon benefits as summarised below:-

- £48,298 and 70.3tCO<sub>2</sub>e attributed to summer heating savings.
- £85,010 and 78.3tCO<sub>2</sub>e to other projects e.g. lighting upgrades and behaviour/on-site maintenance measures.

Total annual savings achieved: £133,308 and 148.6tCO<sub>2</sub>e.

Designation: Assistant Chief Executive - Place

Date: 2 October 2025

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Background Papers: None

Appendices: None