



# Carbon Reduction Strategy 2025 to 2030



Scottish Funding Council  
Comhairle Maoineachaidh na h-Alba

JANUARY 2026

## Introduction

Human activities have already caused global temperatures to rise by 1.1°C and this is set to increase further. At the same time, the health of the planet's ecosystem is deteriorating faster than at any point in human history. In Scotland, we are already feeling the impacts of the climate emergency. The last three years have been in the UK's top five warmest years on record, with 2025 being the hottest summer on record in the UK.

The Scottish Funding Council is committed to supporting Scotland's transition to net zero carbon emissions, driving down our operational carbon footprint and leading Scotland's colleges and universities to do the same.

This Carbon Reduction Strategy outlines SFC's current emissions footprint and the actions we will take to reduce it. It sits alongside and in tandem with our Strategic Plan, Net Zero and Sustainability Framework for Action, and the corresponding Net Zero and Sustainability Delivery Plan. It will be reviewed alongside these strategies in 2027.

SFC's first priority was to enhance and strengthen our emissions reporting mechanism, and we are now in a position to take the next step and begin thinking about how to drive those emissions down. SFC understands the need to take proactive action and invest organisational resource now to make necessary changes to reduce carbon emissions.

The Carbon Reduction Strategy is an action-oriented framework to help SFC understand, measure and drive down its corporate carbon emissions. It sets the foundation for our future reduction pathway and is designed to be iterative as our organisation changes.

It outlines how the climate emergency is managed as a strategic priority for SFC and the political and legal drivers leading SFC to take action. The strategy lays out the full footprint of SFC's emissions, major sources contributing to its carbon footprint, and the scope and boundary of that footprint.

SFC's overarching CO<sub>2</sub>e emissions reduction target is net zero by 2045. All SFC's emissions come from our wider value chain, i.e. Scope 3 emissions. Statutory guidance for public bodies says that public bodies should set quantifiable reduction targets for Scope 1 and 2. But for Scope 3, it's more proportionate to focus on emissions reduction actions, rather than quantifiable targets. For this reason this strategy sets out the actions SFC will take to reduce carbon emissions as much as possible, in line with our public sector climate change duties.

The skills delivery public body landscape, which includes the Scottish Funding Council, is currently undergoing a period of significant reform. The new composition of the organisation will have an impact on our overall emissions footprint and the actions taken to reduce it. The Carbon Reduction Strategy is designed to be flexible, and will be reviewed in line with our new strategic plan and framework for action.

Photo: Glasgow Caledonian University



## Overview, Governance and Management

The Scottish Funding Council (SFC) is a non-departmental public body responsible under the terms of the Further and Higher Education (Scotland) Act 2005 for the coherent and sustainable provision of further and higher education and the carrying out of research in Scotland.

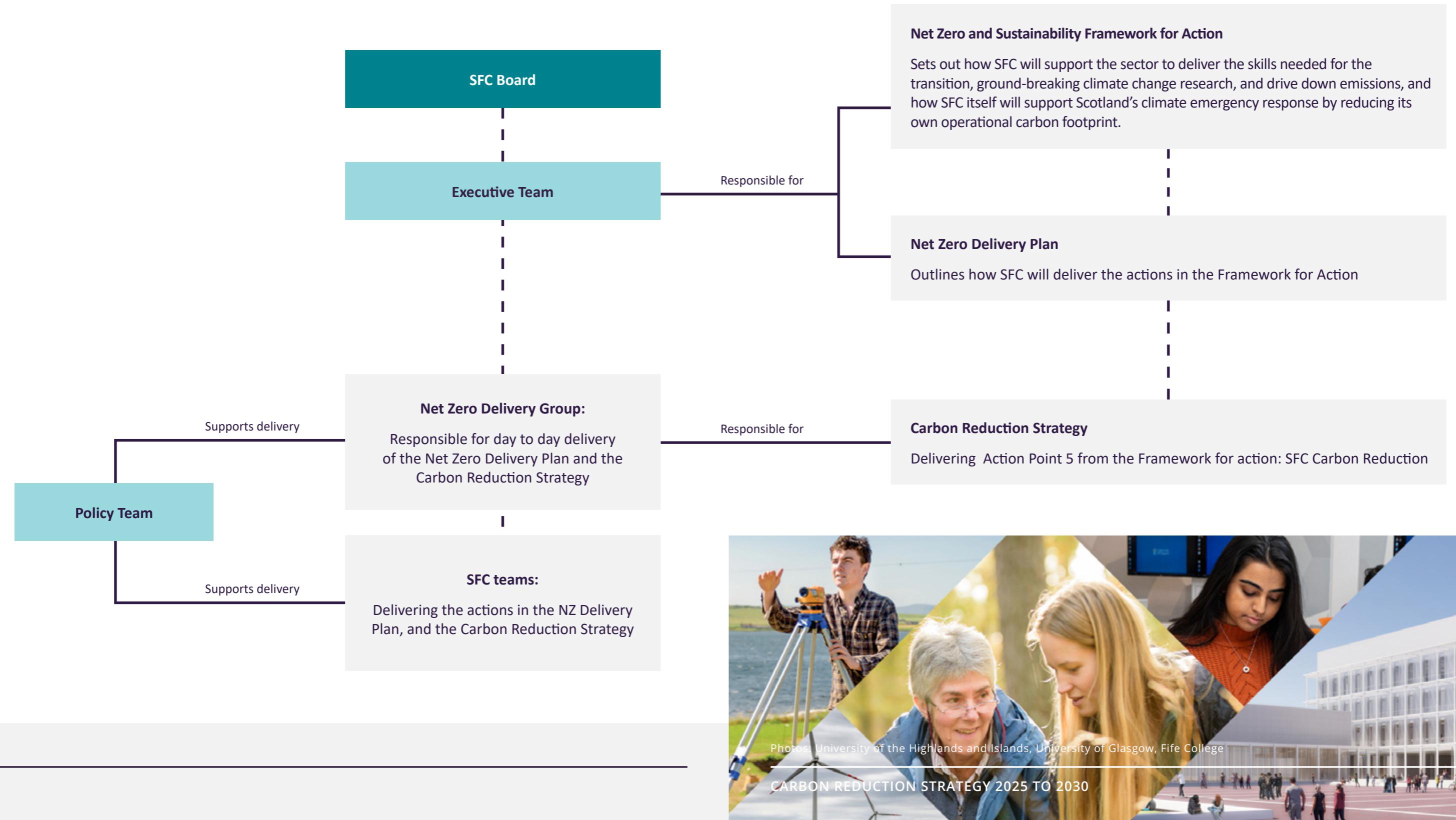
In FY 24-25, SFC had around 160 FTE members of staff. SFC occupies one floor of an office building in Haymarket, Edinburgh. It leases this space and does not own or operate any fleet vehicles.

SFC holds a budget of approximately £2bn to fund the delivery of tertiary education in Scotland. The majority of SFC's annual budget is spent on support for university and college places and a contribution to the costs of research in universities. SFC also invests in capital projects on the university and college estate through loans and grants, and provides core funding to Scotland's innovation ecosystem.

SFC's climate emergency response is ultimately governed by its Board in terms of scrutiny, oversight and challenge. This strategy is overseen by the Board and co-owned and delivered by the whole organisation.

Operational control within SFC on climate matters is delegated to the Chief Executive who leads the Executive Team. The lead Director for net zero strategy and implementation is the Director of Corporate Services.

External Drivers	Climate Change (Scotland) Act 2009; Programme for Government;	Statutory climate change guidance for public bodies; National Strategy for Economic Transformation;	Green Industrial Strategy; Just Transition Plans
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After the Scottish Government declared a climate emergency in 2019, SFC initiated work on its own climate emergency response, culminating in the publication of the Net Zero and Sustainability Framework for Action in 2022. The Framework for Action sets out how SFC will support the sector to reach net zero, respond to the climate emergency, invest in the skills needed for the green transition and deliver research on climate change. The Framework also details how SFC plans to reduce its own carbon footprint, drive down operational emissions and reach net zero by 2045, in line with the Scottish Government target for Scotland.

Following the publication of the Framework, SFC formed the Net Zero Delivery Group, made up of senior leaders at the organisation with responsibility for key areas of our climate emergency response. The Delivery Group coordinates SFC action on net zero and oversees delivery of the Net Zero Delivery Plan. The Net Zero Delivery Plan contains objectives to meet the aims of the Framework for Action and sets out how climate action is embedded across all areas of activity of the organisation. It is supported by SFC's Policy Team, which sits within the Corporate Services Directorate.

## Driving change and SFC's journey so far

In its 2022-2027 Strategic Plan, SFC committed to building a responsive, coherent and sustainable tertiary education system. This includes ensuring that institutions respond effectively to the climate emergency and embedding climate action and the Just Transition into SFC's forward strategies, accountability frameworks and investments; and expecting colleges and universities to do the same.

Our Strategic Plan, alongside our commitment to fulfil our climate change duties legislated for in the Climate Change (Scotland) Act 2009, is driving our work to reduce our own operational emissions, while also supporting the tertiary education sector to do likewise. The Climate Change (Scotland) Act 2009 requires public bodies to act in the most sustainable way to progress towards the Act's greenhouse gas emission reduction targets.

The Scottish Government has been clear about the need for public bodies to reduce emissions as fast as possible and positions public bodies as trusted messengers for driving public engagement and behaviour change. Tackling the climate emergency is also one of the Scottish Government's four key priorities as set out in the 2025-26 Programme for Government and supporting Scotland's climate emergency response is a central pillar of the National Strategy for Economic Transformation and the Green Industrial Strategy.

Following advice from the then Cabinet Secretary for Net Zero, Energy and Transport, Mairi McAllan, SFC undertook an audit of its processes for measuring and reporting on carbon emissions. Following the outcome of this review, our 2023-24 Public Bodies Climate Change Duties report included more extensive emissions reporting data than previous reports, namely including commuting and IT procurement for the first time.

In February 2024, SFC published its new Travel and Expenses Policy, which aligns with the Scottish Government's Active Travel Hierarchy. One key aim of this new policy is to drive down SFC's emissions from business travel.

Our Procurement of Goods and Services Policy also addresses SFC's supply chain emissions. This commits SFC to procurement that minimises impact on the environment, supports net zero targets, seeks improvements in energy consumption, waste and recycling, and promotes a sustainable approach to service delivery of contracts.

Photo: Royal Conservatoire of Scotland



## SFC's emissions footprint

### Baseline

We have classified our greenhouse gas (GHG) emissions in line with the Greenhouse Gas Protocol (revised edition). All emissions have been converted to carbon dioxide equivalent (CO<sub>2</sub>e) and calculated using UK government emission factors, unless otherwise stated.

In the last year before the COVID pandemic and the move to hybrid working, SFC's baseline emissions stood at 77tCO<sub>2</sub>e. This has been SFC's baseline for the last five years.

In 2024-25 SFC's emissions stood at 176.2tCO<sub>2</sub>e. The increase in emissions over the last three years since staff returned to the office has been driven by two factors: firstly the increase in the number of FTE staff employee by SFC and secondly, the widening of our emissions reporting which is now more comprehensive compared with the 2019-20 reporting framework. Following a request to all public bodies to review emissions reporting processes, we included commuting emissions and emissions from IT procurement for the first time. This resulted in the total emissions we report increasing, although the organisation is not actually producing significantly more carbon emissions.

Figure 1: SFC Carbon emissions from 2007-08 to 2024-25

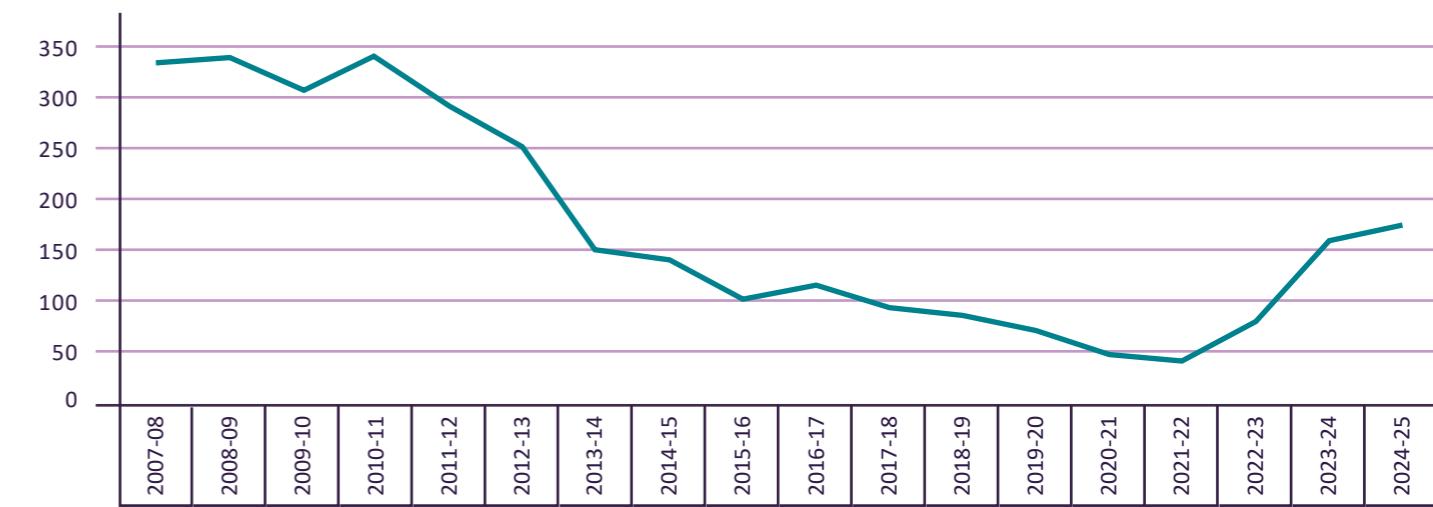
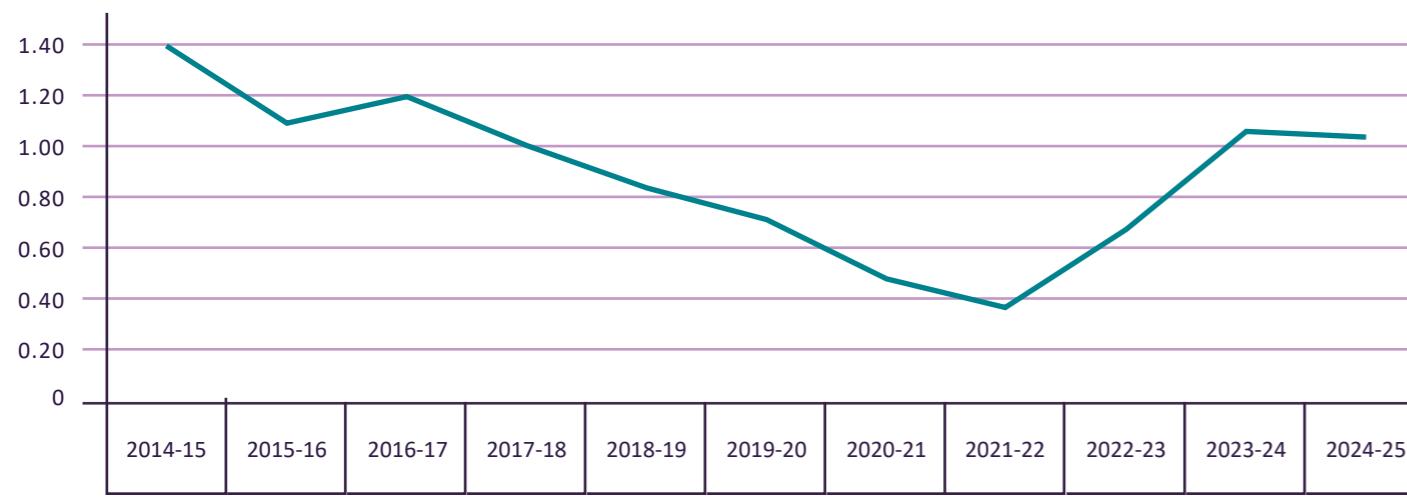


Photo: Glasgow Clyde College



Figure 2: SFC emissions per staff member from 2014-15 to 2024-25



### Calculating SFC's Emissions

The operations and activities a public body includes in the calculation of its corporate carbon emissions is called the 'reporting boundary'. It should include all relevant buildings, activities and emissions generated by the organisation.

SFC is committed to including more emissions sources in our carbon accounting and expanding our emissions boundary in order to more accurately reflect our emissions footprint.

SFC's emissions boundary does not include any Scope 1 or Scope 2 emissions, those which an organisation is directly responsible for. All our emissions are Scope 3 – SFC can influence them, but we cannot directly control them.

Operational area or activity	Source of emissions	Scope	Emissions in 2024-25 (tCO2e)
	Gas use, primarily from heating	Scope 3	40.6
Buildings	Mains electricity	Scope 3	6.5
	Upstream energy and fuel-related emissions, i.e. those associated with the extraction, refining and transport of fuels, and transmission and distribution losses	Scope 3	0.6
Business travel	Personal vehicles used for business	Scope 3	1.4
	Public transport used for business	Scope 3	1.5
	Flights taken for business	Scope 3	3.9
	Overnight stays taken for business	Scope 3	0.7
Staff commuting	Staff vehicle fuel used in commuting	Scope 3	13.6
	Public transport used in commuting	Scope 3	9.9
	Flights for commuting	Scope 3	19.7
Staff working from home	Number of staff working from home	Scope 3	76.3
Waste	Waste generated by the public body	Scope 3	0.02
Water	Water supply or consumption; and related waste water treatment	Scope 3	0.05
	IT equipment	Scope 3	0 in 2024-25, 5.5 in 2023-24
Procurement and investments	Services	Scope 3	Unknown
	Other equipment	Scope 3	Unknown
	Investments	Scope 3	Unknown
<b>Total Emissions (tCO2e) = 176.24tCO2e</b>			

## Emissions Reduction

SFC's overarching CO<sub>2</sub>e emissions reduction target is net zero by 2045. SFC does not have any Scope 1 or 2 emissions, and given Scope 3 reduction is largely out of our control, the targets detailed below relate to activities to be taken, rather than a quantified reduction target.

### Buildings

Emissions from SFC's office building accounted for just over a quarter of our total emissions footprint in FY2024-25.

SFC does not own or have operational control over the building it occupies. Statutory guidance for the public sector is clear that in circumstances such as these public bodies should take a "proportionate approach" and means that for SFC emissions from heating and electricity used in our building are included as Scope 3 emissions in our boundary.



Actions SFC will take:

- We will engage with the building manager and landlord on options for investing in low carbon heating.
- We will rationalise energy use on site, including by assessing the requirements for power in the server room.
- We will engage with the building manager and landlord on options for energy efficiency measures to drive down electricity costs and use less power.



### Business travel

After the pandemic, SFC's emissions from business travel reduced significantly. At its peak in FY2017-18, our business travel accounted for 50.6tCO<sub>2</sub>e, compared to just 6.8tCO<sub>2</sub>e in FY2024-25. This directly reflects the move to online meetings and hybrid working as well as our action to disincentivise private car use for business travel.

While there is some necessary travel as part of our engagement and liaison with tertiary institutions, most SFC meetings now take place online. The residual business travel emissions are mostly tied to essential travel that is required for us to carry out our role effectively.

In February 2024, SFC published its new Travel and Expenses Policy, which aligns with the Scottish Government's Active Travel Hierarchy. The policy includes requiring staff to explain their reasons for choosing a private vehicle over public transport when submitting an expenses claim. This aims to further incentivise staff to choose the lowest carbon option when travelling for business reasons.

SFC will continue to incentivise staff to choose public transport and low carbon options where possible, including active travel options.



Actions SFC will take:

- We will continue to disincentivise the use of personal vehicles being used for business by requiring staff to explain the choice not to use public transport.
- We will pursue the introduction of an Electric Vehicle Salary Sacrifice Scheme in order to reduce emissions from business travel which needs to be done in private vehicles.
- All internal UK flights require sign off from the relevant Director for approval.
- We will publish data internally on business travel emissions for each directorate to raise awareness.
- SFC will integrate Scottish Government statutory guidance advice which states that public bodies should not use 'cost or complexity' to avoid the lower carbon option. This means that where a journey is possible by rail, effort should be taken by the organisation to ensure this option is used.

## Staff Commuting

SFC first measured emissions from commuting in 2024. While we do not have commuting emissions data for before the pandemic, estimates show that commuting data would have been significantly higher when all SFC staff were working in our Edinburgh office every day.

SFC has some influence over how people commute to work, but it also recognises that life circumstances, illness, disability, and caring responsibilities all impact how people choose to travel to work.

SFC will continue to incentivise active travel and public transport to employees commuting to the office but we recognise that behaviour change takes time and driving down emissions from commuting will happen slowly.



Actions SFC will take:

- SFC will continue to monitor and report on staff commuting data. This will be reported to staff, along with advice about sustainable options, every two years.
- We will pursue the introduction of an Electric Vehicle Salary Sacrifice Scheme.
- Staff will be supported to choose the most sustainable and low carbon option for their commute through schemes including, but not limited to:
  - Salary sacrifice for railcards, which supports staff to purchase a railcard to get discounted train tickets.
  - Bike to Work scheme, where employees can pay from their salary towards a new bicycle, saving money and reducing their carbon footprint in the process.
  - Provision of safe bike storage, showers, and lockers. SFC's Facilities Team will incorporate information about bike facilities into induction process for all staff.
  - SFC will pursue provision of cycling proficiency training for staff members.



## Homeworking

SFC recognises that most emissions in this area are influenced by central UK Government policy, actions from energy companies, and the expansion of renewable energy. The energy grid is the responsibility of the UK Department for Energy Security and Net Zero. Until the electricity grid is decarbonised, emissions from homeworking, arising from energy use in the homes of employees, will continue to be high. Once more of the UK's energy comes from renewable sources, then SFC's emissions arising from homeworking will start to fall.

Emissions from homeworking are calculated using emissions factors developed by the Treasury and are based on average electricity and gas consumption in the home in the UK.

However, SFC does encourage staff to fully power down equipment at the end of the day to reduce emissions from computers left on standby or sleep mode.

A review of SFC's hybrid working policy is currently underway and will include consideration of the net zero and sustainability impacts of any changes considered.

## Procurement

SFC needs to do further work to better understand our procurement-related emissions. We reported emissions from procurement of new IT equipment in 2024. We will expand this reporting to include a best estimate of emissions from our use of Microsoft Office, and our cloud server and use of Artificial Intelligence programmes like Microsoft CoPilot.

SFC will also establish a baseline for its procurement of other goods and services, using the APUC Scope 3 emissions tool. This will enable us to develop a picture of the most carbon intensive purchases we make, in order to set reduction targets.



Actions SFC will take:

- We will establish baseline for our emissions resulting from Microsoft Office, cloud storage, organisational use of AI.
- We will establish a baseline for procurement of all goods, services and equipment.

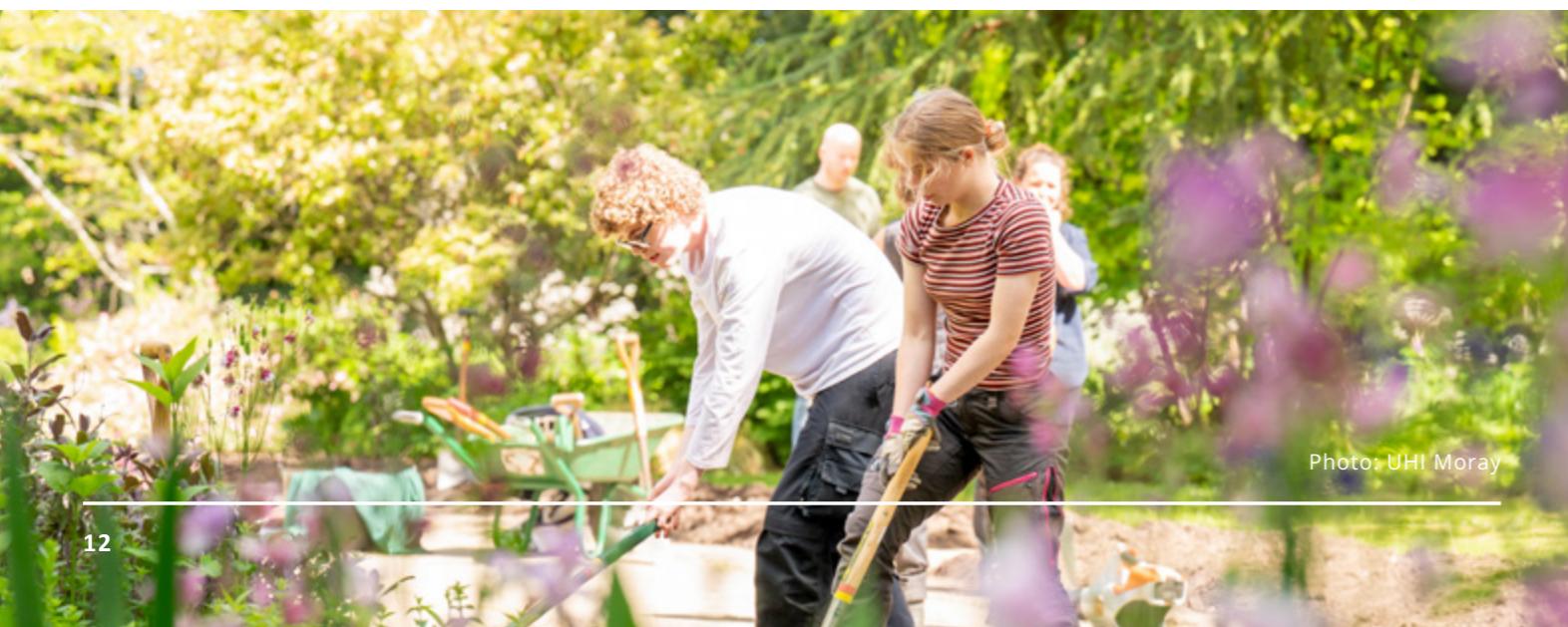


Photo: UHI Moray

## Summary of all objectives

Operational area or activity	Source of emissions	Emissions in 2024-25 (tCO2e)	Action Underway	New Action
Buildings	Gas use, primarily from heating	40.6		Engage with Apex 2 building manager and landlord on options for investing in low carbon heating.
	Mains electricity	6.5	Rationalise energy use on site, including by assessing the requirements for power in the server room.	Engage with Apex 2 building manager and landlord on options for energy efficiency measures to drive down electricity costs and use less power.
	Upstream energy and fuel-related emissions	0.6		
Business travel	Personal vehicles	1.4		Pursue introduction of an Electric Vehicle Salary Sacrifice Scheme.
	Public transport	1.5	Continue to require staff to explain the choice not to use public transport when submitting expenses claims for business travel.	Internal publication of data on business travel emissions for each directorate to raise awareness.
	Flights	3.9	Continue to require Director sign off for internal UK flights.	SFC will integrate Scottish Government statutory guidance advice which states that public bodies should not use 'cost or complexity' to avoid the lower carbon option. This means that where a journey is possible by rail effort should be taken by the organisation to ensure this option is used.
	Overnight stays	0.7		
Staff commuting	Staff vehicle fuel used in commuting	13.6	Continue to monitor and report on staff commuting data. This will be reported to staff, along with advice about sustainable options, every two years.	
	Public transport used in commuting	9.9	Staff will be supported to choose the most sustainable and low carbon option for their commute through schemes including, but not limited to: Salary sacrifice for railcards; Bike to Work scheme and provision of safe bike storage, showers, and lockers, cycling proficiency training for staff.	Pursue introduction of an Electric Vehicle Salary Sacrifice Scheme.
	Flights for commuting	19.7		



Operational area or activity	Source of emissions	Emissions in 2024-25 (tCO2e)	Action Underway	New Action
Staff working from home	Number of staff working from home	76.3		Mostly outwith SFC's influence.
Waste	Waste	0.02	SFC currently recycles most of the waste produced in our office, and information about recycling bins on display for all staff. The emissions from waste are negligible and SFC has chosen not to set a target for this area.	
Water	Water supply or consumption	0.05	The emissions from water are negligible and SFC has chosen not to set a target for this area.	
IT equipment and services	0 in 2024-25, 5.5 in 2023-24.			Establish baseline for our emissions resulting from Microsoft Office, cloud storage, organisational use of AI.
Procurement and investments	Services	Unknown	-	Establish baseline.
Other equipment	Unknown	-		Establish baseline.

## People

As well as specific actions to reduce operational carbon emissions, SFC also sees the role of individual staff members as a crucial part of its path to net zero and contribution to Scotland's overall climate emergency response. SFC is always striving to improve how we talk about, consider, and integrate the climate emergency in our day-to-day work. We want to further develop a positive culture in the workplace where conversations about the climate emergency happen at all levels of the organisation.

From 2025, SFC staff will have access to annual carbon literacy training, delivered by Keep Scotland Beautiful in 2025-26. Alongside e-learning for all staff members, those closest to SFC's net zero response will have the opportunity to participate in more in-depth in-person workshops led by Keep Scotland Beautiful. The aim of this is to support staff upskilling in this area and improve staff understanding of how their work impacts, and is impacted by, the climate emergency.

SFC participates in Climate Week each year. Climate Week is run by Net Zero Nation on behalf of the Scottish Government and aims to showcase how organisations and communities across Scotland are working together to build a climate ready future. SFC uses Climate Week as an opportunity to spotlight the work happening in the tertiary sector to support Scotland's transition to net zero and to raise awareness among staff members about SFC's role in Scotland's climate emergency response.

In 2025, we ran several well-attended events during Climate Week including a guided nature walk along the Water of Leith, SFC's first Climate Café, and a staff learning session about the nature and biodiversity crisis. SFC also convened an event bringing together researchers and policy makers working on climate emergency topics, to create a space for networking, knowledge sharing and building connections.

SFC has also developed an internal staff engagement plan to support staff understanding of the action we're taking to meet our legal climate change duties. This engagement plan includes the creation of a new series of staff learning sessions, 'Climate Dispatches', where staff are invited to join short presentations to learn about key aspects of SFC's net zero and sustainability work.



## Monitoring and Evaluation

This strategy focuses on actions to reduce overall emissions reflecting the fact that SFC does not have any scope 1 or scope 2 emissions, and therefore cannot make numerical reduction targets in the way that most other public bodies do.

The actions set out in this strategy will reduce our overall footprint. However, we will expect the total emissions footprint to increase before it starts to fall as we continue to expand our boundary.

SFC will continue to report our emissions annually in our Public Bodies Climate Change Duties (PBCCD) report. To do this SFC collects data from multiple sources to calculate our operational emissions. This includes our building facilities management, finance and procurement teams, waste management service. Staff commuting is captured via employee surveys.

SFC is currently involved in significant reform of the public sector landscape in Scotland and recognises the need for this climate action strategy to be flexible to account for the changing composition of the organisation. We would expect our Scope 3 boundary to change, our baseline to be updated and our emissions to increase in the year staff numbers increase as a result of this reform. The strategy will be reviewed over time in order to best reflect the structure of the organisation.

SFC provides an annual update to its Board about progress made against our Net Zero Delivery Plan. Progress against this strategy will be incorporated into that annual update. SFC also publishes an annual report outlining delivery in this area. This report will be adapted to include this strategy.



Cover Photos:

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