



Item: 14

Policy and Resources Committee: 16 June 2026.

Climate Change Strategy Approach.

Report by Director of Infrastructure and Organisational Development.

1. Overview

- 1.1. This report provides an update on the Net Zero Strategy actions, work plan and interim targets, following endorsement of Aether Ltd's report in February 2026, for members' information.
- 1.2. On 17 February 2026, the Policy and Resources Committee received the independent study by Aether Ltd to assess data sources and establish key baseline metrics and recommendations for the Council to support achievement of Net Zero objectives.
- 1.3. The Committee endorsed the independent report recommendations as an initial action focus and instructed the Director of Infrastructure and Organisational Development to work across Directorates to jointly consider and finalise these and thereafter submit a report, to this Committee in June 2026, proposing how the recommendations are to be strategically addressed.
- 1.4. The Committee also instructed the Director of Infrastructure and Organisational Development to submit a draft Council wide Climate Change Mitigation Delivery Plan with specific targets to the meeting of the Policy and Resources Committee scheduled for November 2026.
- 1.5. Responding to these instructions, this report updates on progress, setting out how the independent report's recommendations are being addressed.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
 - i. Note progress on the Net Zero Strategy actions, as set out in Appendix 1 to this report.
 - ii. Note the work plan and interim targets which will be progressed during 2026, as set out in Appendix 2 to this report.

3. Background

- 3.1. On 17 February 2026, the Policy and Resources Committee noted the comprehensive Aether Ltd report produced in collaboration with Council officers and external experts, and acknowledged the Council's emissions profile, including the dominance of marine services emissions and the challenge this created for achieving net zero by 2030. The Committee recommended approval of the revision of the Council's net zero target from 2030 to 2045, aligning this revised target with the adoption of the highest ambition scenario set out in the study. The Committee also endorsed the approach of directing decarbonisation activity through specific targets rather than relying just on a single aggregate net zero measure.
- 3.2. Additional developments of relevance since the February Committee include the Government's publication of climate change Statutory guidance for public bodies in Scotland, as highlighted in a recent letter to Council Leaders and Chief Executives, Chairs and Chief Executives of Public Bodies and University and College Chairs and Principals. The letter also confirmed that Scotland's environmental governance oversight body, Environmental Standards Scotland, will now actively monitor public sector delivery of climate activity, including compliance with the climate change duties. The February 2026 Committee decision and work plan remains in line with the direction arising from this new Guidance.
- 3.3. Following consideration of the Aether report, the Council approved a high ambition scenario as the basis for the Council wide 2045 decarbonisation target. Some key requirements for achieving this target include:
 - To fully phase out fossil fuels across all buildings, including heat, cooking, and energy systems, by transitioning to electric or zero-emission heating systems supported by renewable power.
 - To replace all land-based vehicles — fleet, buses, construction plant — with electric or zero-emission alternatives by 2035, supported by an expanded and resilient charging infrastructure.
 - To fully decarbonise marine vessels and aircraft by 2045, including ferries, tugs, harbour craft, and the Inter-Isles Air Service. This requires major vessel renewal, new propulsion technologies, and supportive port/shore infrastructure.
 - To reduce waste generation, improve recycling performance, and ensure emissions from waste incineration are mitigated at source using carbon capture and storage (CCS) technologies.
 - To address residual emissions from f-gases, waste, wastewater, and other Scope 3 sources via nature-based solutions, engineered carbon removals, or future CCS options.

- To avoid long-term lock-in by ensuring that no new fossil-fuel-based assets (heating systems, vehicles, vessels) are purchased unless they can be replaced or converted before 2045.
 - To strengthen governance, procurement, budget planning, and cross-directorate coordination to ensure climate targets are embedded in all major Council decisions and investments.
- 3.4. In approving the report, the Council established the initial action focus presented therein and instructed the Director of Infrastructure and Organisational Development to work across Directorates to refine these and report back to the Committee in June 2026 on how they would be strategically addressed. This report is updating on the developing approach.

4. Developing approach

- 4.1. Since February 2026, good progress has been made to further develop the initial action focus. This has been made possible by strategic working across Council Directorates, led through the Corporate Leadership Team. This work is establishing refined specific actions and targets which can meet the high ambition scenario and objectives now set by the Council. In supporting this approach, the Council has an existing officer working group (for example used to support the Aether study with key information) and this basis for coordination will continue. Building on this, the Corporate Leadership Team has set working some discreet Task and Finish exercises, aligned to priority emission sources and to the strategic enabling actions identified in the Aether study. Progress with the initial tasks is set out in Appendix 1, with work underway on the interim target tasks, summarised in Appendix 2.
- 4.2. The new 2045 target places the Council in line with Scotland's statutory target while recognising the exceptional constraints faced by this Council due to the necessary operational requirements of delivering lifeline marine and aviation services. These constraints are fully recognised in the Aether independent report and in the developing action plan which will remain realistic and proportionate in securing progress as far as is practicable for the Council. However, at the same time, the Council is signalling a strong commitment to accelerate decarbonisation where it has direct control including buildings, fleet, procurement decisions, and operational planning. The decisions also reinforce accountability across all Directorates, recognising that climate mitigation is a corporate, cross organisational responsibility rather than a technical deliverable of one service.

- 4.3. Whilst work is being facilitated by the Climate Change Strategy Officer and supported by experienced colleagues where successful transition has commenced (e.g. in energy management, fleet, roads, transportation, economic development and other areas) success will depend on the transition being supported by each service directly. In this regard, the Council is following an approach whereby decarbonisation will be actively planned into Directorate and service planning moving forward.
- 4.4. Stakeholders in Orkney and nationally will also have a role to play in supporting the net zero transition. External funding, collaboration and representations to Government, suppliers, industry and key innovators will be important both directly and via a range of networks (for example SOLACE, COSLA, SSN, SCIS, RTPi and many others – see background papers at end). In this regard the Community Planning Partnership will be kept informed of the Council's work in this area and where beneficial facilitate sharing of progress and partnership working opportunities. For information, recommendations and conclusions from the Aether report are set out at Appendix 3.

5. Legislative Position

- 5.1. Local authorities in Scotland have legal duties under the Climate Change (Scotland) Act 2009 to contribute to achieving Scotland's national climate change targets. The duties are set out in section 44(1) of the 2009 Act and require that a public body must, in exercising its functions, act –
 - (a) in the way best calculated to contribute to the delivery of emissions reduction targets (i.e. mitigation).
 - (b) in the way best calculated to help deliver any statutory climate change adaptation programme.
 - (c) and do this in a way that it considers most sustainable.
- 5.2. The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015 mandates annual reporting in respect of the section 44 Climate Change Duties introduced by the Climate Change (Scotland) Act 2009.
- 5.3. The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and the Climate Change (Scotland) Act 2009, established a legal framework for Scotland's climate change policies and targets. The 2019 Act significantly increased the ambition of Scotland's emissions reduction targets, aiming for net-zero emissions

by 2045. Legislation was further updated by the Climate Change (Emissions Reduction Targets) Act 2024.

6. Next Steps

- 6.1. Following work as outlined in this report, the Director of Infrastructure and Organisational Development will report a draft Council wide Climate Change Mitigation Delivery Plan with specific targets to the meeting of the Policy and Resources Committee scheduled for November 2026.

For Further Information please contact:

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Implications of Report

1. **Financial:** No financial implications arise directly from this noting report. Any proposed new actions in the future will need to be assessed and either met from approved budgets, or from specific budget approvals and/or successful external funding applications.
2. **Legal:** None. The Council's Climate Change duties are outlined in section 5 of this report.
3. **Corporate Governance:** The work will strengthen and help to focus the Council's strategic approach to decarbonisation and thereby to achieving its corporate goal of being a net zero Council.
4. **Human Resources:** None directly.
5. **Equalities.** None.
6. **Island Communities Impact:** None.
7. **Links to Council Plan:** The work supports progress regarding climate change milestones in the Council's Delivery Plan and in relation to the following Council Plan strategic priorities:
 - Growing our economy.
 - Strengthening our Communities.
 - Developing our Infrastructure.
 - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** By strengthening the Council's strategic approach to decarbonisation, the Council will make a direct contribution to achieving the Climate Change Vision of the Community Planning partnership and working with partners will contribute to outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
 - Cost of Living.

- Sustainable Development.
- Local Equality.
- Improving Population Health.

9. Environmental and Climate Risk: The work will strengthen the Council's approach to emissions reduction and climate change transition.

10. Risk: None directly.

11. Procurement: The Council's procurement approach is already supporting sustainable outcomes. Procurement policies and procedures will need to consider the outcomes of this work and ensure effective support to the objectives.

12. Health and Safety: None directly.

13. Property and Assets: Property and assets are included in the work required.

14. Information Technology: None directly.

15. Cost of Living: None directly.

List of Background Papers

Scotland's Climate Change Plan - <https://www.gov.scot/publications/scotlands-climate-change-plan-2026-2040/documents/>

Statutory Guidance for public bodies -

<https://www.gov.scot/publications/public-bodies-climate-change-duties-statutory-guidance/>

Analysis of consultation responses to the draft guidance - [Public bodies climate change duties - draft statutory guidance: consultation analysis - final report – Scottish Government, September 2025.](#)

Sustainable Scotland Network (SSN) Resources <https://sustainableScotlandNetwork.org/>

COSLA information on Climate Delivery Framework -

https://www.cosla.gov.uk/_data/assets/pdf_file/0022/49045/24-05-03-Item-05-Climate-Change-Update.pdf

Scottish Climate Intelligence Service (SCIS) - <https://www.climateintelligenceservice.scot/>
Policy and Resources Committee, 17 February 2026: Item: 9 Council Climate Change Study.

Appendices:

Appendix 1 – Developing the Climate Change Mitigation Delivery Plan – Initial Tasks.

Appendix 2 – Work on Interim Targets (formative).

Appendix 3 – Aether Recommendations and Conclusions.

Developing Climate Change Mitigation Delivery Plan – Initial Tasks

Task / Topic	Aether Recommendation (narratives / justification)	Outcome needed
<p>1) Governance & Reporting Identify responsibilities. Map key plans. Propose action plan framework and progress reporting (see also below). Measures such as Carbon pricing and reporting clause. Work below (e.g. 2, 4, 5) can take reference from this group / outcome).</p>	<p>Ensure that the climate change agenda is championed by all Directors, with net zero transitions integrated into Directorate and service plans. Bring forward enhanced policy and impact assessment approaches to support the transitions.</p>	<p>CLT leadership of the officer work plan and action plan development and delivery. Propose governance and reporting developments. List key plans / service areas where decarbonisation will be embedded – where gaps, identify proposals to address.</p>
<p>2) Active planning Already an agreed principle – however, ensure all Heads of Service are active on this/ support where required– Governance group (above) will ensure there is approach to collect climate change actions and report / track progress.</p>	<p>Require services associated with the main emission sources to track progress and plan for decarbonisation within their own delivery plans. To include preparing for change (e.g. with internal support and external sectors, building capacity and investigating trials and project pipelines).</p>	<p>Confirmation of and iteration with above work through CLT-list key services and start to plan in mitigation actions / opportunities. Actions needed from across OIC – feeds into the Climate Change Plan and annual Scottish Government report in November.</p>
<p>3) Capacity Assess and advise CLT on capacity / officer resources and if sufficient capacity for the work required. See also 12 below.</p>	<p>Corporate leadership team to assess capacity and resourcing in light of this report and also the new draft statutory guidance.</p>	<p>Evaluation of capacity – if additional resource required, identify this for report back.</p>

Task / Topic	Aether Recommendation (narratives / justification)	Outcome needed
<p>4) Capital Programme / Asset Management Consider how OIC can avoid emissions lock in for future generation / future financial cost. Use Aether report and new statutory guidance references as sources. Investigate shadow carbon price in all financial business cases for projects / capital investment. Integrate into financial evaluation (5) below.</p>	<p>Bring forward enhanced policy and impact assessment approaches to support the transition. These can use a shadow carbon price and address key risks such as emissions lock-in and wider impacts such as lifecycle emissions associated with major projects. Integrate these into corporate procurement and capital programme.</p>	<p>Develop a summary evaluation and outline of proposed changes to address / resolve 'lock-in' risks. Likely will require developments in Procurement, and in project (finance) assessment for capital and asset management. Continued monitoring of external opportunities for project and programme funding.</p>
<p>5) Budgets and financing Re-assess how budgets are set and potential approaches that can enable near term investments / uplifts. Draw from and build upon the above work (4)</p>	<p>Strategically re-assess the way budgets are set, ensuring these reflect and address the near-term cost uplift associated with some decarbonisation initiatives and do not leave a financial (offsetting) burden for the Council and communities in the coming decades.</p>	<p>Assess and identify potential developments / recommendations for approach. Continued monitoring of external opportunities for project and programme funding.</p>
<p>6) Marine services – Vessels / Ferries Target (and related shore side charging) Largest emission source. Identify what could be achieved in highest ambition. Consider interim target for decarbonisation of ferries and vessels (if possible).</p>	<p>Aether high ambition (HA) scenario (agreed target at P+R) is looking for full decarbonisation by 2045. Recs stated-ensure that any new vessels use the lowest carbon technology that is practical to procure and/or includes provision for the vessels to be easily retrofitted. Continue to demonstrate leadership in this field by engaging with opportunities to trial and phase in new/innovative low carbon</p>	<p>Identify potential (best case) decarbonisation that could be achievable if other factors allow (e.g. successful tenders and retro-fit). In this situation, what is the earliest pre 2045 date (if any)? Include consideration of Zevi Trial and new / potential innovations. Include enabling actions.</p>

Task / Topic	Aether Recommendation (narratives / justification)	Outcome needed
	technologies and solutions. Keep informed of new technological developments.	
7) Interim Target - Buildings and heat Identify suitable target date that is in line with the high ambition scenario.	Aether high ambition (HA) scenario (agreed target at P+R) is looking for building decarbonisation by 2035. From a climate science standpoint, it is the pace of emissions reduction and the cumulative emissions over time, not just the annual emissions in a future target year, that are important for mitigating the impacts of climate change. OIC should therefore also focus on front-loading GHG savings that can be achieved using existing technologies. The key ones would be measures relating to buildings and road vehicles.	Identify potential (best case) decarbonisation that could be achievable if other factors allow and propose a specific interim target date ahead of 2045 (i.e. as close to HA as possible). This will form a committee recommendation. Include actions that will enable (allow) this to come through.
8) Interim target – Fleet and Construction Identify suitable target for decarbonisation of vehicle fleet and plant equipment.	Aether high ambition scenario (agreed target at P+R) is looking for fleet decarbonisation by 2035. From a climate science standpoint, it is the pace of emissions reduction and the cumulative emissions over time, not just the annual emissions in a future target year, that are important for mitigating the impacts of climate change. OIC should therefore also focus on front-loading GHG savings that can	Identify potential (best case) decarbonisation that could be achievable if other factors allow and propose a specific interim target date ahead of 2045 (i.e. as close to HA as possible). This will form a committee recommendation. Include actions that will enable (allow) this to come through.

Task / Topic	Aether Recommendation (narratives / justification)	Outcome needed
	be achieved using existing technologies. The key ones would be measures relating to buildings and road vehicles.	
9) Interim Target for public transport (buses) Identify high ambition interim target for decarbonisation- assume with bus contract timeline that 2030 is a possibility for full or phased replacement?	Ensure that the procurement of public transport services sets emission standards for vehicles that align with OIC's net zero target. This would require using zero emission technologies, or ones that can be retrofitted, for any vehicles that would be in use at or beyond the net zero target date. Contract renewal expected in 2029; needs to be addressed before then.	Identify potential (best case) decarbonisation that could be achievable if other factors allow and propose a specific interim target date ahead of 2045 (i.e. as close to High Ambition scenario as possible). Linked to optimising future contract management and renewal opportunities (which could include phasing).
10) Council land / Nature-based (NbS) solutions for carbon sequestration (offsets / insets)	Start pursuing NbS projects on the Council's landholdings as soon as possible. Review opportunities within 1 year and commence implementation as soon as possible.	Identify top line potential re Council Land and clarify / set out way forward. Engage with Partners eg NatureScot.
11) Procurement	Identify specific developments as required (from report / above work) and include in Procurement policy / strategy.	To consolidate and support various points as outlined.
12) Full list of recommendations Address the above and all remaining actions.	Relevant Committee reports are: February P+R (2026). November P+R (2025).	The recommendations from these reports will be addressed / will inform the report being compiled for November 2026 Policy and Resources Committee.

Work underway on interim targets

OIC Net Zero – Buses

Aether scenario info.	Targets --formative work.
<p>Aether high ambition scenario= 2035. Ensure that procurement of public transport services sets emission standards for vehicles that align with OIC's net zero target. This would require using zero emission technologies, or ones that can be retrofitted, for any vehicles that would be in use at or beyond the net zero target date.</p> <p>Contract renewal potential in 2029; needs to be addressed before then.</p> <p>From a climate science standpoint, it is the pace of emissions reduction and the cumulative emissions over time, not just the annual emissions in a future target year, that are important for mitigating the impacts of climate change. OIC should therefore also focus on front loading GHG savings that can be achieved using existing technologies. The key ones would be measures relating to buildings and road vehicles.</p>	<p>OIC has made significant progress in securing public and school buses for Orkney. The contract was tendered with a focus on quality with the view to improving the service provided from the main contractor in previous years (ageing fleet). The contract was a significant investment by the Council, resulting in a fleet of new low floor, accessible, Euro 6, low emission vehicles purchased by the main contractor. The contract term is for 8+1+1 years with a further option for optimising use of asset with another 5 years. If that is used it will be potentially 2036 for completion on a new contract.</p> <p>Barriers to progress on electric buses / decarbonisation have included capital funding and reliability. It is understood that reliability is improving and will continue to develop (although can remain a concern in the very near term). Running costs for OIC have been protected from excessive cost hikes regarding the current fuel crisis (Stagecoach has fuel contracts set over a reasonable period). In the medium term, operating costs will be lower than diesel fuel equivalent as national decarbonisation policies and trends continue (into the 2030s). On capital, Stagecoach received some support via ScotZEB3 for 25 chargers and for 44 Yutong electric buses for use in Scotland. The progress of these and other buses is worth monitoring and to find / pursue opportunities for funded electric bus trials and planned phased introductions.</p> <p>Phasing in electrification is an option for OIC and the contract includes for a low carbon innovation clause. In planning for electrification / decarbonising of the service, a phased approach has merit and will allow for testing and iterative development. Externally funded trials should also be investigated and prepared for. Potential targets toward the Aether high ambition scenario:</p> <p>OIC public and school bus service to be decarbonised by 2036:</p> <p>Decarbonisation plan for buses will be developed including phased electrification.</p> <p>Opportunities for early project trials to be identified.</p>

Fleet and Construction - Targets

Aether – info from report.	Targets - formative work regarding interim OIC targets.
<p>Aether high ambition scenario (agreed target at P+R) is looking for fleet and plant decarbonisation by 2035.</p> <p>All cars and vans switch to EV by 2035. The remaining construction vehicles switch to electric, sustainable biofuel or other zero direct emission alternatives in the same timeframe.</p> <p>From a climate science standpoint, it is the pace of emissions reduction and the cumulative emissions over time, not just the annual emissions in a future target year, that are important for mitigating the impacts of climate change. OIC should therefore also focus on front loading GHG savings that can be achieved using existing technologies. The key ones would be measures relating to buildings and road vehicles.</p>	<p>OIC has made progress in recent years on small electric vehicles (vans) and in terms of trials for large vehicles. National policy will increasingly advance the decarbonisation options available to OIC and reliability should continue to improve. Operating costs of electric vehicles offer financial savings which can defray / offset higher capital costs for the Council overall.</p> <p>Some service requirements may lead to slower uptake, but with sufficient investment and external funding, 2035 is a potentially achievable goal for OIC vehicle fleet decarbonisation.</p> <p>In such a scenario, there will likely remain a small number of situations where ICE vehicles will continue for either specific service requirements legacy asset value. For larger vehicles and construction plant, decarbonisation trials and opportunities will need to be sought. The ambition will be to fully decarbonise during the 2030s and at pace. A plan (pathway) for decarbonisation of Vehicle Fleet, Construction and Plant will be required including opportunities for trials and requirements for successful transition. This will seek to support / inform the pursuit of external and innovation funding. It should include OIC EV charge point planning and could also include other efficiencies and emission reductions that can be made across the OIC fleet (e.g. review of vehicle sharing across OIC departments and partner organisations, review of patterns of work with an aim to reduce the number of journeys taken).</p> <p>Potential high ambition targets:</p> <p>All replacement cars and vans being provided to services will be fully decarbonised by 2032.</p> <p>Emissions from the OIC vehicle fleet, construction and plant will be fully decarbonised in the 2030s.</p> <p>A plan (pathway) for decarbonisation of Vehicle Fleet, Construction and Plant will be developed in this financial year, including opportunities for trials and requirements for successful transition. This will seek to support and inform pursuit of external and innovation funding.</p>

OIC Net Zero -- Buildings

Aether scenario information.	Target proposals.
<p>All fossil fuel use is phased out by 2035, with all heating systems and cooking/catering replaced with electric alternatives. Energy is supplied via decarbonised grid electricity or other local renewable technologies. Where necessary, buildings are upgraded with energy efficiency measures to support the shift to zero direct emission heating systems while mitigating energy bill increases.</p> <p>There is a higher level of reduction in f-gas emissions, assuming a higher rate of appliance replacement and specification of more low GWP refrigerants.</p>	<p>OIC has made good progress in recent years on buildings efficiency and related decarbonisation. For example, electrification has placed a large number of buildings in a position to rapidly reduce emissions through the early 2030's, in line with policy direction nationally for UK grid decarbonisation (e.g. tenanted non-residential properties and social housing will reduce emissions by an estimated 94%). Other buildings in OIC estate require an increase in the pace of retrofit and boiler replacements. There are opportunities for some large-scale building decarbonisation wins at sites such as Stromness Academy and Orkney College. 2035 as a target date will only be achievable with significant investment and external funding (achievable goal / albeit stretch target for a significantly decarbonised building stock). In such a scenario, there will likely remain a small number of difficult buildings where boiler replacement will take longer, hence the proposed 2035 target below is not set at 100% but is very close and is a high ambition for the Council.</p> <p>Proposed high ambition target for OIC buildings: Emissions from OIC buildings will be fully decarbonised in the 2030s and will have reduced by 95% by 2035.</p> <p>A planned pathway (phased schedule) for decarbonisation of buildings will be developed in this financial year, including opportunities for trials and requirements for successful transition. This will seek to support and inform pursuit of external and innovation funding</p>

Appendix 3 - Aether Recommendations and conclusions

Description	Timescales
Decarbonising marine services, including ferries, harbour craft and tugs	
Continue to demonstrate leadership in this field by engaging with opportunities to trial and phase in new/innovative low carbon technologies and solutions.	Ongoing; continue until GHG reduction targets are achieved.
Implement the reporting, operational and energy efficiency measures that have been identified through the separate project examining decarbonisation of OIC's marine services	Develop and implement these as soon as practical to track progress and to achieve near-term GHG reductions. Aim for short to medium term (within 5 years).
Ensure that any new vessels use the lowest carbon technology that is practical to procure and/or includes provision for the vessels to be easily retrofitted.	Top priority. Needs to be addressed within procurement / ongoing discussions about ferry replacement.
Keep informed of new technological developments, taking lessons from electric hydrofoil trials as relevant, and initiate longer-term planning for how climate change and the net zero transition might impact the marine services, so that this can be factored into investment decisions.	Integrate findings of this study, the Coastal Adaptation Plan and other relevant work into planning, ideally in the short term. Keep informed of ongoing developments until GHG reduction targets are achieved.
Decarbonising buildings, including OIC-operated and tenanted properties	
<p>Implement the works set out in the CMP, also re-assessing whether lower cost options are available with different combinations of 'fabric first' measures and renewable/ZDEH technologies.</p> <p>With the CMP expiring in 2026, ensure that measures are reflected in any future equivalent documents.</p>	Seek to implement these as soon as practical to achieve near-term GHG reductions.

Description	Timescales
Progress and implement LHEES Delivery Plan.	As per LHEES Delivery Plan.
<p>For tenanted properties which are already electrically heated, a top priority will be to continue to upgrade social housing. This is less important from a GHG emissions standpoint but has important wider benefits on tenants' bills along with their comfort and welfare. Tenanted commercial properties should also be upgraded where costs allow, although again the primary benefit will be lower energy use and bills rather than GHG emissions reduction.</p>	<p>Social housing: Timescales are driven by EESH regulations; implement as and when practical, noting important social benefits</p> <p>Tenanted properties: These are comparatively less urgent due to electricity grid decarbonisation; implement as and when practical</p>
When carrying out upgrades, evaluate whether there are also opportunities to install systems that will reduce f-gas emissions and decrease water demand.	To be done on an ongoing basis in the context of the capital works / maintenance programme.
Continue to engage with a range of innovations, partners and funding opportunities. Track developments and opportunities both locally and via wider innovations (e.g. regional developments such as ICNZ, heat developments and LHEES, fuel substitution potential with partners etc).	Ongoing; continue until GHG reduction targets are achieved.
Switching to an electric vehicle and bus fleet	
Continue with the transition to an EV fleet for light commercial vehicles.	Ongoing; continue until GHG reduction targets are achieved.
Ensure that the procurement of public transport services sets emission standards for vehicles that align with OIC's net zero target. This would require using zero emission technologies, or ones that can be retrofitted, for any vehicles that would be in use at or beyond the net zero target date.	Contract renewal expected in 2029; needs to be addressed before then.

Description	Timescales
Work to ensure the continuing roll-out, and maintenance, of EV charging infrastructure.	Ongoing; continue until GHG reduction targets are achieved. Needs to be front-loaded where possible, to support the wider EV transition.
Continue to investigate new developments relevant to vehicles such as HGVs and other construction plant, taking lessons from the electric bin lorry trial (and wider trials) as relevant. Could include interim opportunities such as fuel substitution (if sustainable sourcing is addressed).	Ongoing; continue until GHG reduction targets are achieved. In short term continue to explore and engage on innovations (e.g. trial opportunities)
Nature-based solutions and carbon offsetting / insetting	
Start pursuing NbS projects on the Council's landholdings as soon as possible. Develop any OIC NbS projects in line with recognised carbon code methodologies and where appropriate have projects validated / verified.	Review opportunities within 1 year and commence implementation as soon as possible
Review available NbS high integrity carbon credit values, and potentially use these to develop a shadow carbon price as additional information within any financial evaluations of mainstream decarbonisation projects (buildings, vehicles etc.)	Short term (within 1 year)
Continue to engage with key agencies, academic partners, stakeholders and developers, to protect and reduce pressures on blue carbon habitats	Ongoing; continue
Track developments and revisit the potential for engineered removals such as DACCS in future	Medium term (e.g. 2030)
Enabling Measures	
Ensure that the climate change agenda is championed by all Directors, with net zero transitions integrated into Directorate and service plans.	Initiate in the short term; continue in the long term.

Description	Timescales
Corporate leadership team to assess capacity and resourcing, in light of this report and also the new draft statutory guidance.	Short term.
Require services associated with the main emission sources to track progress and plan for decarbonisation within their own delivery plans. To include preparing for change (e.g. with internal support and external sectors, building capacity and investigating trials and project pipelines).	Initiate in the short term; continue in the long term.
Strategically re-assess the way budgets are set, ensuring these reflect and address the near-term cost uplift associated with some decarbonisation initiatives and do not leave a financial (offsetting) burden for the Council and communities in the coming decades.	Initiate in the short term; continue in the long term.
Bring forward enhanced policy and impact assessment approaches to support the transition. These can use a shadow carbon price and address key risks such as emissions lock-in and wider impacts such as lifecycle emissions associated with major projects. Integrate these into corporate procurement and capital programme.	Initiate in the short term; continue in the long term.

Summary of supplementary Aether Recommendations (also in section 6)

Theme	Description	Indicative Timescale
Strategic Approach – Mitigation & Adaptation	Adopt a twin-track approach integrating mitigation and climate adaptation into future plans, policies, and investment decisions.	Initiate now; ongoing
Target Setting Framework	Adopt source- or scope-specific GHG reduction targets rather than a single net-zero-by-X-year target.	Short term
Waste Reduction & Circularity	Reduce waste through reuse, recycling and composting; decarbonise waste transport using zero-emission technologies.	Ongoing
Shetland Incinerator Emissions	Plan for emissions from waste sent to Shetland requiring CCS by SIC; consider long-term implications.	Medium to long term
Aviation Decarbonisation	Plan for decarbonisation of aircraft operations, monitor hydrogen/electric trials, and avoid lock-in risks.	Medium term
Large-Scale Renewable Energy Projects	Invest in large-scale renewables to support system decarbonisation and resilience even if not counted in OIC inventory.	Medium term
Grid Capacity & Local Electricity Systems	Work to improve grid capacity and expand local renewable electricity supply and utilisation.	Near to medium term
Technological Lock-in Risks	Review plans to avoid long-term lock-in to fossil fuel-based technologies with lifespans beyond 2045.	Immediate and ongoing
Organisational Change & Prioritisation	Strengthen leadership to ensure climate mitigation is treated as a strategic and day-to-day priority.	Immediate