

Below is the statement of requirements to support those bidding into the process for this research. This document details the objectives of the project and indicative milestones.

STATEMENT OF REQUIREMENTS

Project Specification - Carbon Neutral Islands 2040 sector readiness and skills assessment

1.1 The need for this research

[The Carbon Neutral Islands project](#) is a Scottish Programme for Government commitment aimed at supporting six islands (Yell, Hoy, Barra, Raasay, Islay and Great Cumbrae) to become carbon neutral by 2040. By 'carbon neutral', we mean an island where the greenhouse gas emissions, captured as CO2 equivalent, are in balance with the carbon sinks.

ClimateXChange wishes to commission research to support the Carbon Neutral Islands project through developing an enhanced understanding of overall carbon neutral readiness on the six islands, with a particular focus on skills. This research will build on the recently published research ([Climate action on Scottish islands: an initial mapping of the landscape](#)) which explores the different approaches to accounting for greenhouse gasses, as well as examining the potential for climate change action on the six Scottish islands.

At this stage, there are knowledge gaps in the Scottish Government in relation to the current readiness of different sectors across the six islands to journey to carbon neutrality. In particular, greater knowledge about the extent to which specific businesses and organisations have started to develop climate change plans is required to assist with planning and support. In addition, more information is required on specific skills needed across different socio-economic sectors, again to assist the Scottish Government by providing greater understanding of where resources and support can be targeted. As discussed in 'Climate action on Scottish islands: an initial mapping of the landscape', there is not a uniform approach to accounting for carbon/ greenhouse gasses across the islands. It is likely that each sector and island will have a heterogeneous approach to carbon reduction, and therefore part of the research will be understanding specific sectors in place (rather than generalising across the different islands).

The research has two dimensions: The first **is an assessment of private sector businesses and organisations' readiness for carbon neutrality by 2040**, while the second will provide an **assessment and evaluation of skills requirements in the short (1-3 year) and medium term (to 2040) in each sector to move to carbon neutrality**. Both aspects of the research will focus on the following socio-economic sectors:

- Renewable energy
- Housing (contractors, installers, etc)

- Food and drink (whisky (and other spirits and beverages),
- Aquaculture and marine economy (salmon farming, mussel farming and shellfish and fishing)
- Tourism
- Retail
- Agriculture (including crofting), land use and forestry
- Transport
- Waste (including wastewater)
- Mining/quarrying
- Self-employed (any kind of sector who can work from an island remotely: ie software development, architecture, finance)
- Logistics (related to any of the sectors above)
- Leisure industry (music, arts, theatre, active tourism)
- Construction/trades
- Media and related activities

The project will support the development of 17 sector-specific strategies in the Carbon Neutral Islands and assist the six islands to develop their own Community Climate Action Plan (planned to commence 1st April 2023), and to help explore how to prioritise those sectors which can deliver the quickest and/ or largest carbon mitigation. The research will also feed into the development of an Island Energy Strategy, also to be coordinated by the Islands Team (who is commissioning this proposal).

1.2 Project scope and aim

This project will assess carbon neutral readiness, and skills readiness across the socio-economic sectors specified above, across six islands. The sector-readiness research will address the following research goals:

- a. To work with partners (including Carbon Neutral Islands Project and Community Energy Scotland) to identify key businesses and organisations within each of the 17 sectors. If there are key sectors relevant to islands that have not been noted in this specification, the research will identify these.
- b. To provide an initial assessment of the carbon footprint of the operations of the businesses included in the study. Guidance for different approaches to greenhouse gas accounting across the different islands can be found in [Climate action on Scottish islands: an initial mapping of the landscape](#).
- c. To assess the extent to which businesses, public sector organisations and other bodies within the 17 sectors across the 6 islands have carbon neutral strategies, and how developed these plans and preparations are. If carbon neutral strategies are not present, the project will explore what is needed in order to move such operations and businesses towards adopting a carbon neutral strategy. If a

carbon neutral strategy *is* present, the project will explore what is needed in order to move such operations and businesses towards successful implementation.

- d. To evaluate the key challenges and barriers in preparing to meet the goals of the Carbon Neutral Islands project, and appraise and highlight good practices which can be shared with other relevant contexts. In particular, the project will assess sector specific barriers.

The sector-readiness evaluation will inform the development of the Carbon Neutral Islands project, and will be of relevance to the development of the Island Energy Strategy which will be coordinated by the Carbon Neutral Islands Team (commissioning this research in partnership with CXC) in 2023.

The skills-focussed research will address the following research goals:

- e. To understand which skills are required in order to deliver carbon neutrality on the six Scottish islands across the socio-economic sectors identified above.
- f. To assess skills gaps over the short term (1-3 years), and evaluate whether or not there is capacity for upskilling on islands.
- g. To assess the extent of any structural change that might be anticipated as a result of achieving carbon neutrality, with specific reference to the implications for longer term skills needed in the lifetime of the Carbon Neutral Islands project (until 2040).
- h. To indicate the nature and scale of the overall skills development that is required, and to provide a routemap for carbon neutral 2040 skills development which provides actionable policy, support and investment options to the Scottish Government and partners (such as universities).

The skills-focussed dimension of the research will directly support future assessment and action on available training and educational programmes in the field of carbon neutrality with a focus on Scottish islands.

1.3 Audience

The work is commissioned on behalf of the Scottish Government, and of particular interest to the Islands team.

The results must be presented in a format and language that can be easily understood by readers without an academic background. Written outputs must be well presented and written in Plain English.

1.4 Methodology

We expect the research to comprise an initial mapping and scoping exercise including desk research and initial stakeholder engagement (building on existing research as specified above), followed by in-depth stakeholder engagement, and assessment and evaluation

using relevant methodologies (e.g. SWOT) across the two key research areas (overall readiness, and skills focus) and the 17 socio-economic sectors.

We are open to hearing from prospective bidders how they would recommend delivering the research outcomes across different work packages, but anticipate the following as an indicative research outline:

- **Phase 1:** An identification of relevant businesses & organisations within the sectors; plus an initial assessment of preparedness by sector.

Phase 1 outcomes: Initial assessment of carbon neutral preparedness in relation to research goals a and b.

- **Phase 2:** An evaluation of the extent to which stakeholders identified WP1 have carbon neutral plans and assessing how developed are the plans, along with exploring good practice, and key barriers and challenges (research goals c and d)

Phase 2 outcomes: An evaluation of carbon neutral readiness, including challenges and opportunities across, 17 sectors to inform policy development.

- **Phase 3:** An assessment of skills readiness across short and medium term in the relevant islands and sectors (research goals e-h).

Phase 3 outcomes: Sectoral-based analytical output (for example, in the form of SWOT or other relevant analyses), the results of which will inform policy development. Ideally this would include case studies to illustrate good practices and infographics for each sector to illustrate skills gaps and opportunities.

Tenderers are invited to put forward proposals on how to best meet the research aims within the budget available. A full explanation of your chosen approach, including any limitations, should be provided.

It is anticipated that some provision for travel to the six islands will be required. We anticipate approximately one visit per island for one researcher, plus attendance at a planned plenary session on one of the six islands in March 2023 (one researcher for 1-2 days). These numbers are intended to be indicative only; bidders are welcome to propose alternative arrangements for delivering the research goals.

1.5 Outputs

We expect the research to be presented in **two** short reports, the first reporting findings on overall carbon neutral readiness and the second focussing on skills. Each separate report must be written in plain English, follow the [CXC house style](#), and should comprise:

- a) an executive summary of no more than two pages, detailing the key findings, the aim of the project and the value to a policy audience; and
- b) a full report, of no more than 25 pages to include:
 - i) Key findings

- ii) Conclusions about priorities for Scottish Government support, intervention, plus priority activities for relevant partners
 - iii) Infographics (one per sector) illustrating key aspects of the findings such as the key barriers faced by the sector, and how strengthened skills can help overcome such barriers.
- c) Annexes detailing
- i) the methodologies used and underlying assumptions
 - ii) detailed results
 - iii) A glossary if needed
- d) References

The ownership of the research material including the final report and any data produced as a result of the research lies with ClimateXChange on behalf of Scottish Ministers. The research may be published on the ClimateXChange website, the date and format of which will be determined by the Scottish Government and ClimateXChange. One or more drafts are likely to be required before a final version is agreed.

ClimateXChange supports the Scottish Government Open Research Guidance for RESAS, summarised as “open as possible, closed as necessary.” This means that all products will be placed in the public domain, unless there is a strong argument otherwise (for example to comply with data protection regulations). Descriptions of all projects and related products will be uploaded to the ResearchFish system.

1.6 Project governance

A small steering group will be established to support delivery of the project. The steering group’s role is to agree the research methodology and project plan, comment on draft findings and drafts of the report, and sign-off outputs for publication. It will include representatives from Scottish Government, ClimateXChange, and the project team. External members will be considered depending on the methodology/approach.

The lead contact for ClimateXChange will be the CXC Business, Industry and Society Project Manager, [REDACTED] who will liaise with the contractor. Regular update calls will be scheduled fortnightly between the principal investigator and the CXC Project Manager to discuss progress and address any issues, escalating to steering group for consideration where necessary.

1.7 Project timetable

Milestone	Completed by
Project kick-off meeting, to agree scope, boundaries, approach, project plan and timeframe.	Wednesday 14 th December 2022
Report on progress (Principal investigator and CXC Project Manager)	TBA Usually fortnightly

Presentation to Steering Group of interim findings from phase 1 (slide form)	23 rd January 2023
Feedback on phase 1 presentation from Steering Group	31 st January 2023
Submission of draft phase 1 report	1 st February 2023
Steering group meeting to agree phase 2 and 3	1 st February 2023
Draft phase 2 report	28 th April 2023
Draft phase 3 report	31 st May 2023
Final report	23 rd June 2023

REASONS FOR NOT PROVIDING INFORMATION

The following two questions are subject to the exception outlined below.

- the proposals that were provided by contractors/organisations to the Scottish Government in relation to the previously mentioned work on the Carbon Neutral Islands Project
- any project plans that were received by the Scottish Government from the organisation who received the contract to carry out the previously mentioned work on the Carbon Neutral Islands Project

An exception under regulation 10(5)(e) of the EIRs (substantial prejudice to confidentiality of commercial information) applies to some the information you have requested. This exception applies because disclosure of this particular information would, or would be likely to, prejudice substantially the confidentiality of commercial information provided by bidders and thus cause substantial harm to their commercial interests. Disclosing this information would be likely to give competitors an advantage in future similar tendering exercises, which would substantially prejudice both the awardee and bidders ability to submit competitive tenders and so could significantly harm their commercial business.

This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. We recognise that there is a public interest in disclosing information as part of open and transparent government, and to help account for the expenditure of public money. However, there is a greater public interest in protecting the commercial interests of companies which tender for, and enter into Scottish Government contracts, to ensure that we are always able to obtain the best value for public money.