



## Newcastle Hospitals 5-step programme for Net Zero Carbon Supply Chain

### **Information Summary**



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#### 1. What is the Climate Emergency?

There is no internationally accepted definition for the 'climate emergency'. The term is used to acknowledge humanity is facing an existential threat and that urgent action needed. The term is based on scientific consensus that we are at risk of passing climate tipping points and triggering feedback loops, which, if triggered are predicted to lead to excessive global warming and irreversible climate catastrophe.

In 2018, the Intergovernmental Panel on Climate Change (IPCC) released a dramatic report that stated that the world is completely off track for the international goal formalised in the Paris Agreement to cap the rise in global warming to under 1.5 degrees C above the pre-industrial base line. The report stated we are instead heading towards 3 degrees C and stressed that immediate action is needed, on an unprecedented scale, so that significant progress is made before 2030 to limit the risk of a climate change catastrophe.

#### 2. Why is it a Health Emergency?

The climate emergency is a health emergency. Climate change threatens the foundations of good health, with direct and immediate consequences for our patients, the public and the NHS. The situation is getting worse, with nine out of the 10 hottest years on record occurring in the last decade and almost 900 people killed by heatwaves in England in 2019. Without accelerated action there will be increases in the intensity of heatwaves, more frequent storms and flooding, and increased spread of infectious diseases such as tick-borne encephalitis and vibriosis.

#### 3. What is NHS England doing?

The NHS has set an ambition to be the first net zero health service in the world. It committed to two challenging targets, the first to reach net-zero by 2040, for the carbon emissions we control directly and 2045 for the broader emissions we can influence.

Within this plan is a commitment that by 2030 the NHS will not procure from any supplier that does not have its own Net Zero target. This is a clear indication that the NHS is prioritising action in this area and will only procure from suppliers that are taking action to address the Climate Emergency.

On 24 June, the NHS England and NHS Improvement Public Board reaffirmed its commitment to delivering the world's first net zero national health service – backing a range of new initiatives to accelerate progress and support a healthy, sustainable recovery from the pandemic

The NHS Greener team have developed a Net Zero Supplier Roadmap and an Evergreen Supplier Framework. More info: <a href="https://www.england.nhs.uk/greenernhs/get-involved/suppliers/">https://www.england.nhs.uk/greenernhs/get-involved/suppliers/</a>





#### **Building net zero into NHS procurement – the Supplier Roadmap**



\*To account for the specific barriers that Small & Medium Enterprises and Voluntary, Community & Social Enterprises encounter, a two-year grace period on the requirements leading up to the 2030 deadline, by which point we expect all suppliers to have matched or exceeded our ambition for net zero.

#### 4. What is Newcastle Hospitals doing?

As the first healthcare organisation in the world to declare a Climate Emergency, we have set an ambitious target to reach Net Zero for our Carbon Footprint by 2030 and for our Carbon Footprint Plus by 2040. This footprint plus includes emissions from our supply chain, which are estimated to account for more than 65% of our total carbon footprint. This is an extension to the NHS England's plan to reach Net Zero by 2045. The same plan includes the commitment that by 2030 the NHS will not procure from any supplier that does not have its own Net Zero target.

In addition to NHS policy, there are many other drivers for working with supply chain members that are committed to fighting climate change. The UK Government's Social Value Model and associated Procurement Policy Notes (PPN 06/20 and 06/21) require organisations to outline action to fight climate change and published carbon reduction plans. Even though a range of procurement thresholds, timescales and exceptions apply, it is clear that the drivers for sustainable procurement are increasing.

At Newcastle Hospitals, we have developed a <u>Sustainability Partnership award winning</u> fivestep process to proactively engage and support all suppliers, from the smallest to largest. This enables us to expand reporting and action beyond our own organisational carbon footprint (scope 1 and 2) and proactively engage with supply chain members to report and reduce the wider carbon footprint plus (scope 3) emissions to Net Zero by 2040. This programme is aligned to NHSEI Evergreen Supplier Framework and the NHSEI Net Zero Supplier Roadmap.

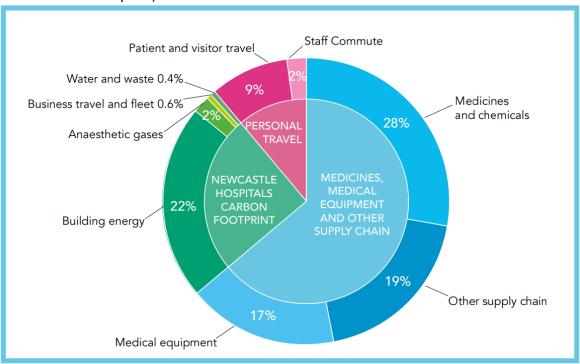




#### 5. What is the role of suppliers in this?

#### Newcastle hospitals carbon footprint

(Emissions from our supply chain are estimated to account for more than 65% of our total carbon footprint)



We are embarking on two key actions to underpin our ambition to reach Net Zero Carbon across our footprint plus by 2040:

- Increase the accuracy of our measured footprint, by asking suppliers to report their carbon footprint data to us.
- Engage and support suppliers to work together towards our goal of Net Zero by 2040.

We would really like to work with our suppliers to reduce the impact of our purchased goods and services. We want to collaborate with and support supply chain members across a wide spectrum of sizes and sectors, whilst recognising the needs of micro, small and medium sized enterprises. We want to engage with suppliers that are decarbonising their own organisations and are asking suppliers to provide their carbon footprint data to us. We would like to stress that it does not matter what stage you are at on your low carbon journey, even if you haven't started yet, we would welcome your engagement, honest answers and opinions.

Over 750 suppliers have already engaged so far. Whether you have engaged already, or you are new to the process, we would love to hear from you.





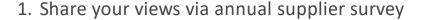
6. What is the Newcastle Hospitals 5-step programme for Net Zero Carbon Suppliers?





# Net Zero Carbon Supplier – 5 step process







2. Access support (webinar and info pack)



- 3. Measure and report your carbon footprint
- 4. Publish Net Zero target (minimum 2040)
- 5. Publish a Carbon Reduction Plan



\*Each step is optional (but you must have step 4 in place by 2030)

#### Step 1 – Share Views

You can tell us your views via the annual survey at this link.

This annual survey asks for your opinions on our aspirations for a Net Zero supply chain by 2040, and for your suggestions for support. We are keen to hear from you which actions we should prioritise and what innovative solutions you may be aware of. Whether you have completed this survey last year, or you are new to the process, we would love to hear from you.

#### Step 2 – Support, network and collaborate

We offer a range of optional support including a webinar to provide information on our programme and encourage shared learning and collaborative working within the supply chain

You can view a recording of previous webinar at this link: Webinar recording Link. The next live webinar is scheduled for June 2022. Please click link to book





#### Step 3 – Report carbon performance

There are two options for reporting your carbon footprint results to us, either via a free 'report only' account or a discounted 'full function' account, with low annual subscription fees via SmartCarbon Ltd.

#### • Option 1 - A free to use web-based reporting portal.

This option allows you to use any tool of your choice to calculate your footprint and simply report your results to us via the free SmartCarbon supplier page.

This process should take no more than 30 minutes. Please have your organisational carbon footprint results available, along with your business turnover and value of sales to Newcastle Trust.

#### **Notes:**

- The user guide for the registration and using the portal and FAQ document are accessible from the download section within the header menu on the platform.
- The methodology we recommend is the <u>Greenhouse Gas Protocol Corporate</u> Standard.
- Carbon reporting factors are freely available at this location. <u>Government</u> <u>conversion factors for company reporting of greenhouse gas emissions - GOV.UK</u> (www.gov.uk).
- We can recommend the following course: <u>carbon footprint training via</u> <u>Northumbria University.</u>

#### Option 2 - full access to the SmartCarbon Calculator.

You may opt for a full account which will allow you to calculate and report your footprint seamlessly. You have the option to report scope 1, 2 and 3 emissions via the platform which provides access to all UK Government (DEFRA BEIS) factors as well as additional optional bespoke options such as Working From Home (WFH), employee commute, spend code supply chain and sector specific factors. The platform outputs include graphs and reports that are aligned to requirements of the NHS Net Zero Plan, the Greenhouse Gas Protocol and the Streamlined Energy and Carbon Reporting Regulations. More information and client testimonials are available at this link: <a href="https://www.smartcarboncalculator.com">www.smartcarboncalculator.com</a>

#### To register:

To register for either option, please use the following link to enrol your organisation: <a href="https://app.smartcarboncalculator.com/Login/Register">https://app.smartcarboncalculator.com/Login/Register</a>. Please use your work email account for the registration process and **enter the code NUTHSUPP10** to link your results to our account (You will need to type this code as it will not be recognised if copied and pasted).





Should you wish to choose option2 and upgrade to a full account, a 10% NHS supplier discount will be automatically applied at point of payment. (If you are an NHS organisation in your own right, you will be eligible for 20% discount. Only one discount option can be applied to a maximum level of 20%). Costs options are visible on the website when you select the relevant organisation size.

#### Notes:

- We request that you submit your first report within next three months. Your
  reporting period should cover a 12-month period, ideally you should align your
  report to your financial period. You may start your reporting for any time period that
  suits (our base year is 2019). After your first report, please continue to report on
  annual basis.
- We will only see your headline results, which will be proportioned by spend and pulled into our footprint plus (Scope 3) results.
- More info and detailed guidance is available from the downloadable FAQs and user guide documents within the header section of the menu bar on the SmartCarbon platform.

#### Step 4 - Net Zero Targets

- This is the only step that is mandatory. NHSEI Net Zero Plan states by 2030 the NHS will not procure from any supplier that does not have its own Net Zero target. This must align to the NHS Net Zero target of 2045. Here at Newcastle Hospitals, we require your target to align to our 2040 ambition.
- The SmartCarbon platform (step 3) includes the following questions
- Has your organisation published a carbon reduction target / net zero carbon target?
- If yes, please provide a link:

If you need guidance developing a Net Zero Target, we recommend the <u>Pathways to Net Zero: Using</u> the IEMA GHG Management Hierarchy November 2020

#### Step 5 - Carbon Reduction plans

- The SmartCarbon platform (step 3) includes the following questions:
- Has your organisation published a carbon reduction plan?
- If yes, please provide a link:
- If you need guidance developing a carbon reduction plan, we recommend you use the template available at this link:
  - https://www.gov.uk/government/publications/procurement-policy-note-0621-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts





- We recommend you implement the IEMA Greenhouse Gas Hierarchy available at this link: <a href="https://www.iema.net/resources/reading-room/2020/11/26/pathways-to-net-zero-using-the-iema-ghg-management-hierarchy-november-2020">https://www.iema.net/resources/reading-room/2020/11/26/pathways-to-net-zero-using-the-iema-ghg-management-hierarchy-november-2020</a>

#### IEMA Greenhouse Gas Management Hierarchy (updated 2020)







#### 7. Where I can find out more information?

#### Information:

- NHS England has set a Net Zero plan, which includes targets to reach Net Zero by 2045. Within this plan is a commitment that by 2030 the NHS will not procure from any supplier that does not have its own Net Zero target. This is a clear indication that the NHS is prioritising action in this area and will only procure from suppliers that are taking action to address the Climate Emergency. You can also read the 'Delivering a Net Zero NHS' report at this link: <a href="https://www.england.nhs.uk/greenernhs/wp-content/uploads/sites/51/2020/10/delivering-a-net-zero-national-health-service.pdf">https://www.england.nhs.uk/greenernhs/wp-content/uploads/sites/51/2020/10/delivering-a-net-zero-national-health-service.pdf</a>
- As the first healthcare organisation in the world to declare a Climate Emergency, Newcastle Hospitals, we have set an even more ambitious target, to reach Net Zero, for our Carbon Footprint Plus by 2040. This 'footprint plus' includes emissions from our supply chain, which are estimated to account for approximately 65-75% of our total carbon footprint. You can read our Climate Emergency Strategy at this link: <a href="https://www.newcastle-">https://www.newcastle-</a>
  - hospitals.nhs.uk/content/uploads/2021/04/x228180 nuth p1 nm.pdf
- The launch of Newcastle Hospitals Climate Emergency Strategy: https://youtu.be/C13uv9GwEpA
- More information about the 5-step framework is available at this link <a href="https://ahsn-nenc.org.uk/wp-content/uploads/2022/01/Sustainability-Showcase-SmartCarbon-Calculator.pdf">https://ahsn-nenc.org.uk/wp-content/uploads/2022/01/Sustainability-Showcase-SmartCarbon-Calculator.pdf</a>
- Video from The Lancet highlighting the links between the climate emergency and health and wellbeing: <a href="https://youtu.be/Bp6avcskCcg">https://youtu.be/Bp6avcskCcg</a>
- Full Lancet Countdown on health and climate change report: https://www.thelancet.com/countdown-health-climate
- The Greenhouse Gas Protocol guidance for reporting: https://ghgprotocol.org/corporate-standard
- More info, including a glossary of key terms and an overview of SECR legislation can be found at this link: <a href="https://www.smartcarboncalculator.com/resources/">https://www.smartcarboncalculator.com/resources/</a>
- Request a copy of the FAQ and Glossary document from: <a href="mailto:info@smartcarboncalculator.com">info@smartcarboncalculator.com</a>

#### **Training courses:**

- Attend one of our annual webinars to provide an overview. You can view a
  recording of previous webinar at this link: <u>Webinar recording Link</u>. The next live
  webinar is scheduled for June 2022. Please click link to book
- Carbon Footprinting and Reporting for Organisations at Northumbria University
- Climate Change: Risk, Opportunity and Business Resilience at Northumbria University
- Carbon literacy training at www.seesustainability.co.uk





#### 8. Glossary and FAQs

Definitions for key terms is available at this link: <u>Resources - Smart Carbon</u> (smartcarboncalculator.com)

A comprehensive FAQ document is available to download form the SmartCarbon platform, a few of the more commonly asked questions and answers are copied below.

## 1. We publish our carbon footprint data, why can't you access the information you need from our website?

The number of suppliers and service providers for a client could run into thousands. Collecting information from the individual suppliers and service providers from reports, emails and websites would require significant time and resources. By using a supply chain reporting portal enables your client to collect and collate data conveniently and with minimum efforts.

Organisations may choose to publish report their carbon footprint in a manner which is unique to their business, for example, in the form of intensity metrices only or grouping different scopes together. Such figures may not be compatible with other suppliers, hence cannot be used by your client.

#### 2. Our carbon footprint is very small, do we still need to report our footprint?

Yes, individually your organisation's footprint may appear small, however collectively it adds up to your client's Scope 3 supply chain footprint.

Organisations will often find that micro businesses and SMEs make up the biggest proportion of their supplier base so collectively this can be significant. If your client spends money with you, this will be converted to tonnes of carbon and it is more accurate to capture your reported performance. The programme is designed to be fit for purpose for any size organisations and time and resource expectations are proportional to scale.

Measuring the collective supply chain footprint allows your client to plan and monitor their Net Zero ambitions. At a national level United Kingdom have committed to reach Net Zero by 2050 and that include all activities and organisations, big or small.

#### 3. We supply more than one NHS Trust; do we have to complete this multiple times?

No, you will be reporting once on the SmartCarbon platform. If you are reporting for multiple clients that use the SmartCarbon platform then, you will complete the basic information once, the only additional information you need to provide for each of your clients is the corresponding annual sales values and category of goods or services you provide. As mentioned, you will be able to provide all this information in a single page.





#### 9. Contact details:

- If you have any queries on the 5-step process, please contact: <u>nuth.environment@nhs.net</u>. The Newcastle upon Tyne Hospitals NHS Foundation Trust. Estates | Royal Victoria Infirmary | Queen Victoria Road | Newcastle upon Tyne | NE1 4LP | Tweet us at @SustainableNUTH
- If you have any queries on the SmartCarbon reporting portal, please see website at: <a href="https://www.smartcarboncalculator.com">www.smartcarboncalculator.com</a> or contact <a href="mailto:info@smartcarboncalculator.com">info@smartcarboncalculator.com</a>.