

SUSTAINABILITY SHOWCASE

CASE STUDY

Context

In June 2019 the Newcastle upon Tyne Hospitals NHS Foundation Trust became the first healthcare organisation in the world to declare a Climate Emergency, recognising that a climate emergency is a health emergency and committing to becoming a net-zero carbon organisation by 2040.

It followed up that commitment with a Climate Emergency Strategy that drove carbon reduction actions across its operational areas, producing an annual report on its progress.

The following year, NHSEI released its Net Zero Plan which included a statement that from 2030 onwards the NHS would no longer purchase goods and services from suppliers that had not published their own Net Zero goal, which must align to the NHS ambition.

After a rigorous review of carbon measurement tools, the Trust elected to use the SmartCarbon Calculator to measure and monitor the emissions from its operations. But in order to gain an accurate measure of its total carbon footprint, there was a need to include the carbon emissions from its supply chain that were related to delivering products and services (Scope 3 emissions) and the Trust partnered with SmartCarbon to develop a solution.



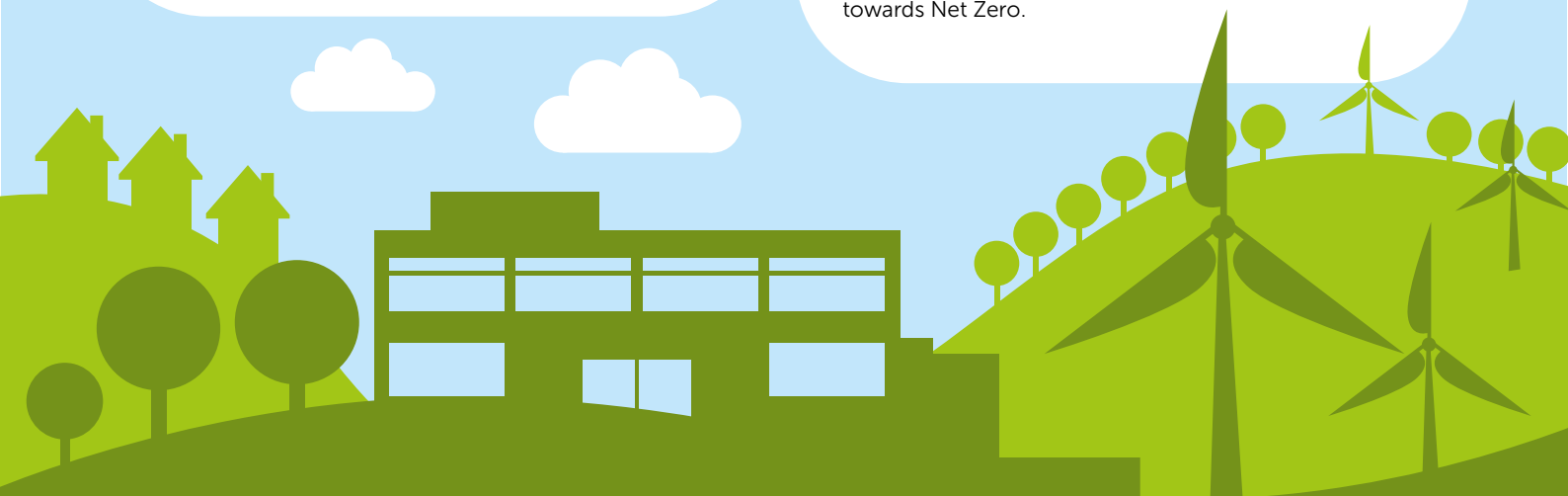
The challenge

Supply chain activities were estimated to account for at least 65% of the Trust's emissions. This existing method involves estimating emissions based on eclass spend codes.

This approach is problematic as the factors are many years old and do not reflect any efforts by individual suppliers to reduce emissions. The approach also makes it difficult to track progress towards Net Zero as the results are dependent on overall spend (which may in fact increase).

To make meaningful progress, suppliers needed to be engaged and empowered to take real steps to measure, monitor and reduce their carbon. Supply chain relationships needed to be maintained and cost barriers tackled.

The solution needed to provide a seamless link that would enable the Trust to efficiently monitor progress towards Net Zero.



The solution

A truly collaborative approach between SmartCarbon and the Trust was taken. There were three key themes that were the focus of the solution development:

- It needed to be accessible in terms of technology and pricing to the entire supply chain
- Suppliers needed to be fully engaged in the approach taken
- The Trust needed to communicate to its suppliers its plans and motivations

The result was a five-step process that used the technology of the SmartCarbon platform and an engagement strategy that encouraged adoption and involvement in the solution. The five steps consisted of:

Step 1: The Trust listened to supplier views via a questionnaire and were encouraged by the high response rate and the fact that 98% of respondents supported the Net Zero goal.

Step 2: The Procurement and Sustainability teams at the Trust delivered webinars to raise awareness, inform and engage suppliers about action plans and Carbon Footprint Plus reporting. This included case studies and sharing best practice.

Step 3: Suppliers were invited to report their carbon footprint performance, and Net Zero targets, to the Trust via a free reporting page on the SmartCarbon platform.

Step 4: Suppliers were required to commit and publish Net Zero targets by 2030. These must be aligned with Newcastle Hospital's Net Zero by 2040 ambition.

Step 5: Suppliers were encouraged to act and reduce their footprints to the greatest possible extent and then consider offsets for the remaining emissions.

The Carbon Footprint and Carbon Footprint Plus (i.e., Scope 1, 2 and 3) emissions were all calculated using the

SmartCarbon Calculator platform, which provides access to all 6500 UK Government emissions factors, as well as additional bespoke options, such as Working From Home (WFH) and new healthcare sector-specific factors (e.g. anaesthetic gases and inhalers).

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 (SECR) Regulations. Supplier emissions are presented in a hybrid fashion, with supplier reported results shown alongside e-class spend codes (where real results are not yet available).

The optional supplier dashboard has been developed to calculate supply chain emissions, using a combination of both spend code factors together with more detailed reporting through engagement with the NHS Trust's direct supply chain. This approach was developed to complement the emerging NHS Evergreen Supplier Framework, as well as other procurement initiatives.

A free reporting portal was added to the SmartCarbon platform, to enable suppliers to report their performance to one or multiple Trusts. Emissions are then apportioned based on value of spend versus turnover. There is also an option for suppliers to upgrade to a full account, for a supplier discounted rate.

"SmartCarbon Ltd took NHS BT through a comprehensive data collection, calculation and reporting process that was both aligned to the wider NHS Net Zero Plan and the Greenhouse Gas Protocol. This involved utilising the SmartCarbon Calculator platform to produce the desired reports in a format that enabled the Organisation to effectively communicate carbon performance in a way that is accessible to all stakeholders, from Donor to Patient, as we continue to improve and save lives in a Sustainable way."

"Really enjoyed the webinar and net zero carbon will positively impact on my sector so that is encouraging from a business point of view but going forward this is mega important for the next generation!"

"As a small business, we would welcome advice and support."

"Thank you for taking a positive stance on this issue."

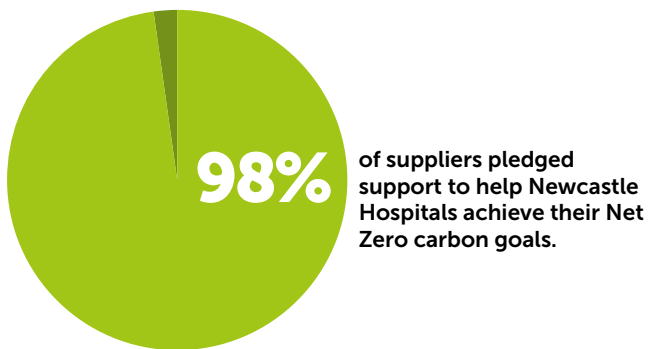
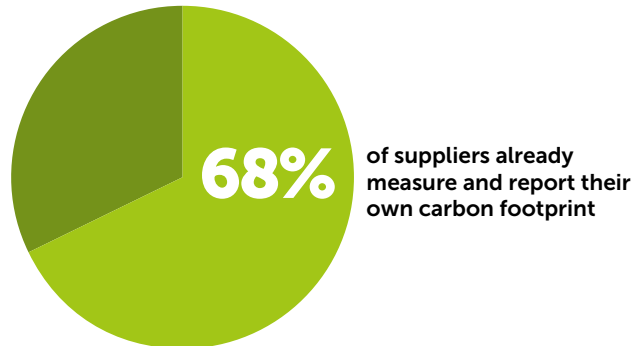
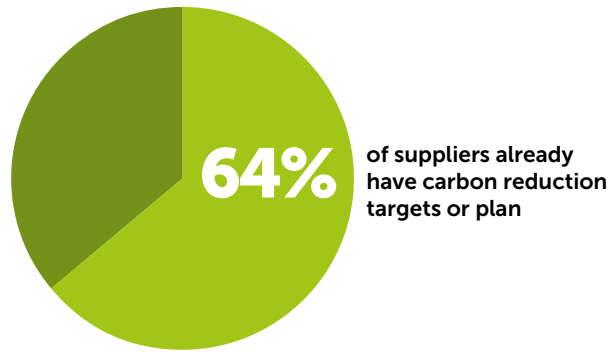
"As any sensible occupant of this planet is doing, we are committed to doing all we can to reduce our impact on it."

The Results

The success of SmartCarbon's pilot scheme in conjunction with Newcastle upon Tyne Hospitals NHS Foundation Trust enabled them to more accurately report their tCO₂e (carbon emissions) and identify hotspots to focus their carbon reduction efforts. The pilot scheme also led to an extended supply chain model for SmartCarbon, which has not only been of huge benefit to the healthcare sector, but can also be replicated for other sectors, e.g. local authorities, universities and the construction industry. The project was shortlisted for a healthcare Sustainable Procurement Award.

With regards to engaging the supply chain, Newcastle Hospitals achieved the following:

489 suppliers responded to the initial survey



"The support provided to SharpSmart UK by the team at SmartCarbon has been exceptional! They are very knowledgeable, responsive and have been supportive in guiding us to simplify a project that is quite overwhelming when you get started. The SmartCarbon Calculator is a really easy and useful tool to support our carbon reporting requirements, and is adaptable to organisational and project structures. The supporting training and consultancy packages have helped to progress our commitment to reducing our impact and we are looking forward to a continued working relationship as our strategy evolves to match our ambition to do our bit to tackle the Climate Emergency."

SmartCarbon can provide support throughout all stages of your efforts to reduce your carbon impact. Please contact for more information on 07971 070434 or email info@smartcarboncalculator.com