

Newport City Council Decarbonising Procurement

Theo Sulway
Business Decarbonisation



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First Steps



Overview

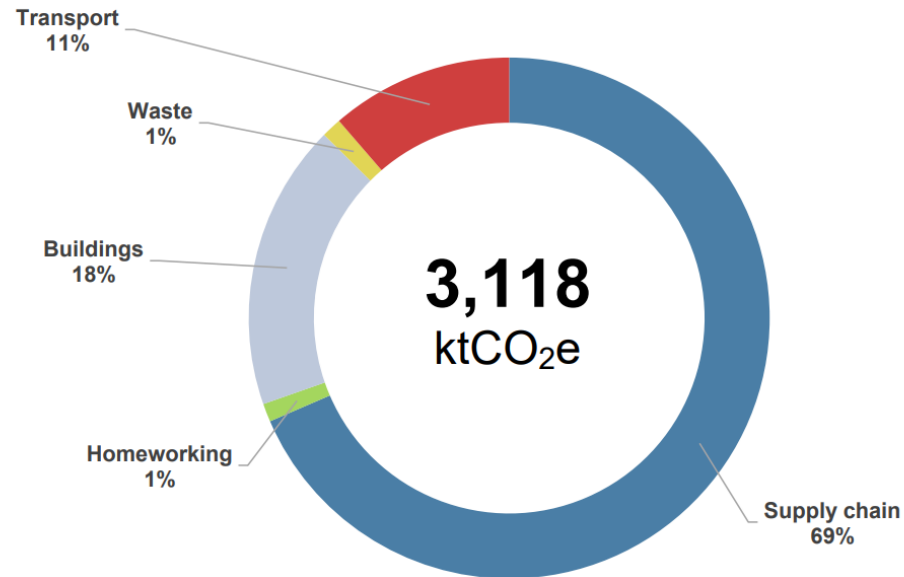
- As a Local Authority, we must reach Net-Zero emissions by 2030.
- In 2022/23, 80% of our emissions stemmed from Scope 3
Scope 3 also includes, waste, water, business travel, employee commuting, homeworking and procurement
- Financial data was required to track and analyse our procurement expenditure.
- The initial focus of this project was to engage with top suppliers in our supply chain.

Ranking	Supplier Category	% of Total 22/23 Spend
1.	Social Care Services	29%
2.	Infrastructure	11%
3.	HR Services	7%
4.	Public Transport Services	5%
5.	Children Services	4%



Addressing a National Issue

The majority of public sector wide emissions are estimated to arise from the *Supply Chain*. This equates to 2,137 ktCO₂e and 69% of total emissions. *Building* related emissions are estimated to contribute 554 ktCO₂e and 18% of the total. *Transport* emissions are estimated to contribute 354 ktCO₂e and 11% of the total. *Waste* emissions are estimated to contribute 38 ktCO₂e and ~1% of the total. *Homeworking* emissions are estimated to contribute 35 ktCO₂e and a further ~1% of the total.



Financial Analysis



- Data analysis revealed that **39** suppliers accounted for the top **50%** of our spend. 3,000+ suppliers included in the remainder of spend



- Top suppliers responded to outreach, sharing sustainability reports and consumption data to calculate CO2e



- However, engaging with SMEs within our top 50% of spend presented various challenges. These businesses lacked exposure to emissions reporting



- The unfamiliarity with carbon reporting highlighted the necessity for tailored guidance and support



- External engagement was crucial in addressing these challenges



Carbon Measurement Tool



- In Q2 of 2023, I developed a 'NCC Carbon Calculator' for our suppliers



- I utilised the emission factors and structure of the existing carbon models employed by Welsh Government & GHG Protocol



- Designed to cater to all our suppliers. Our collective aspiration was to reshape the landscape and to empower organisations to begin emissions reporting and emissions reduction



- The toolkit has since been rolled out to **all** suppliers **over £75k** annual spend - many of which are SMEs



Results & Progress

Top 50 % of Spend



22/39 Suppliers Scope 1 & 2 data obtained
at a minimum

Suppliers £75k+



103/393 Suppliers Scope 1 & 2 data obtained

Total NCC Spend Accounted



£111,372,907.50

Progress



The efforts have enabled us to provide support to our suppliers to measure their carbon footprint for their contract/organisation



Sustainable Procurement Process



- Internally, we have made significant modifications to the procurement process



- All suppliers with *new* or *renewed* contracts over £75,000 will be *required* to report on their emissions for the duration of the contract(s)



- This is *pivotal* in ensuring seamless integration of this process from the **outset** of new contracts and tenders



- By embedding this requirement at this stage, we are streamlining the adoption of sustainable practices across our procurement process



- We are **committed** to ensuring that all organisations we work with are supported



Continued Development



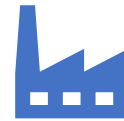
Business as usual



Strategic emissions reduction targets



Carbon Footprint Assessments and Reports



Low-carbon tendering



Southeast Wales Collaboration



Building strong relationships with large corporates and SMEs



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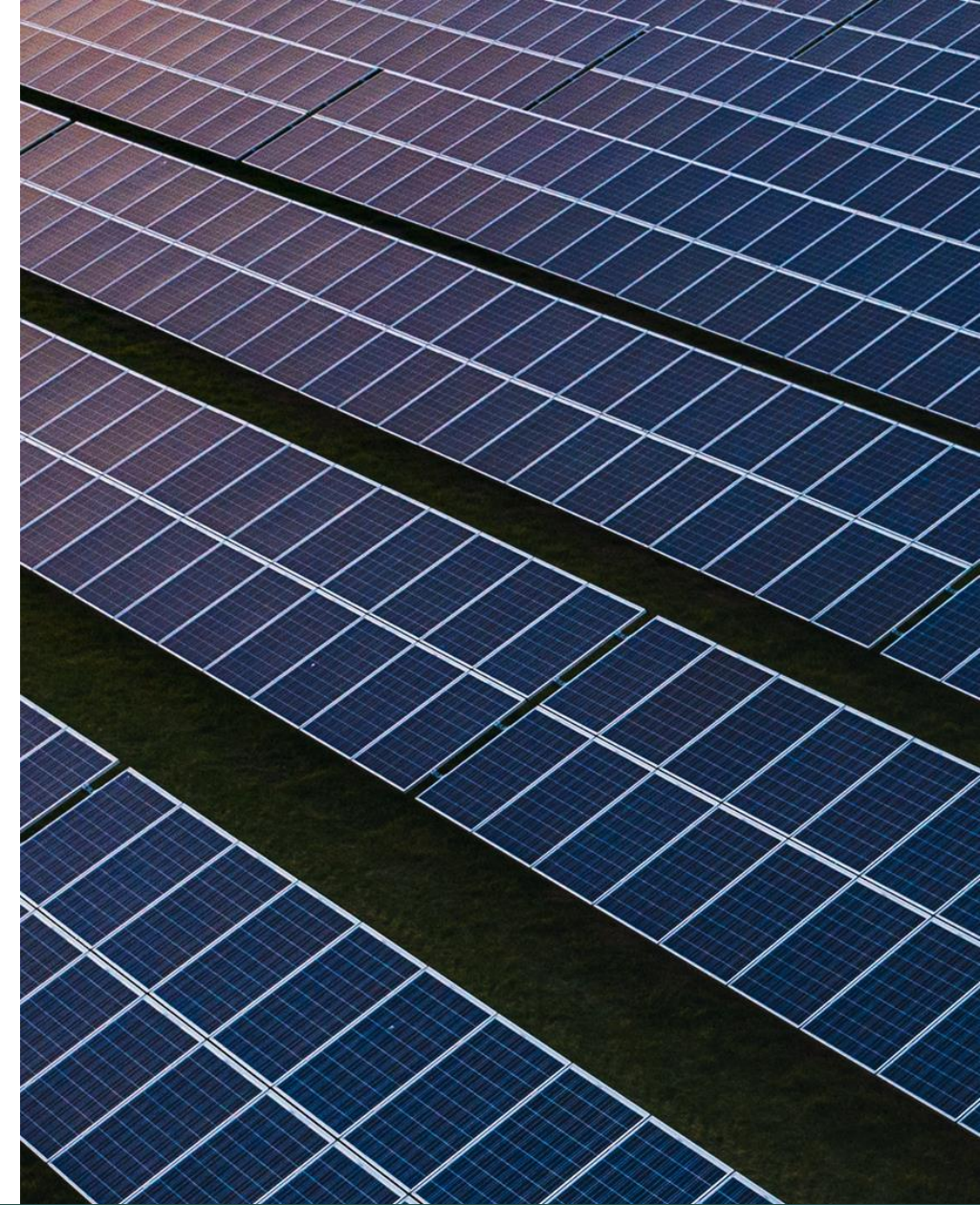
Corporate Net-Zero Target

The **Science Based Targets** (SBT) Corporate Net Zero Tool is intended to enable companies to develop appropriate science-based emission reduction targets, as well as to assist companies and interested third parties in assessing and evaluating companies' targets.

The calculation uses data from IEA Net Zero Emissions scenario, as well as a cross sector pathway and FLAG sector pathway that were developed by the SBTi.

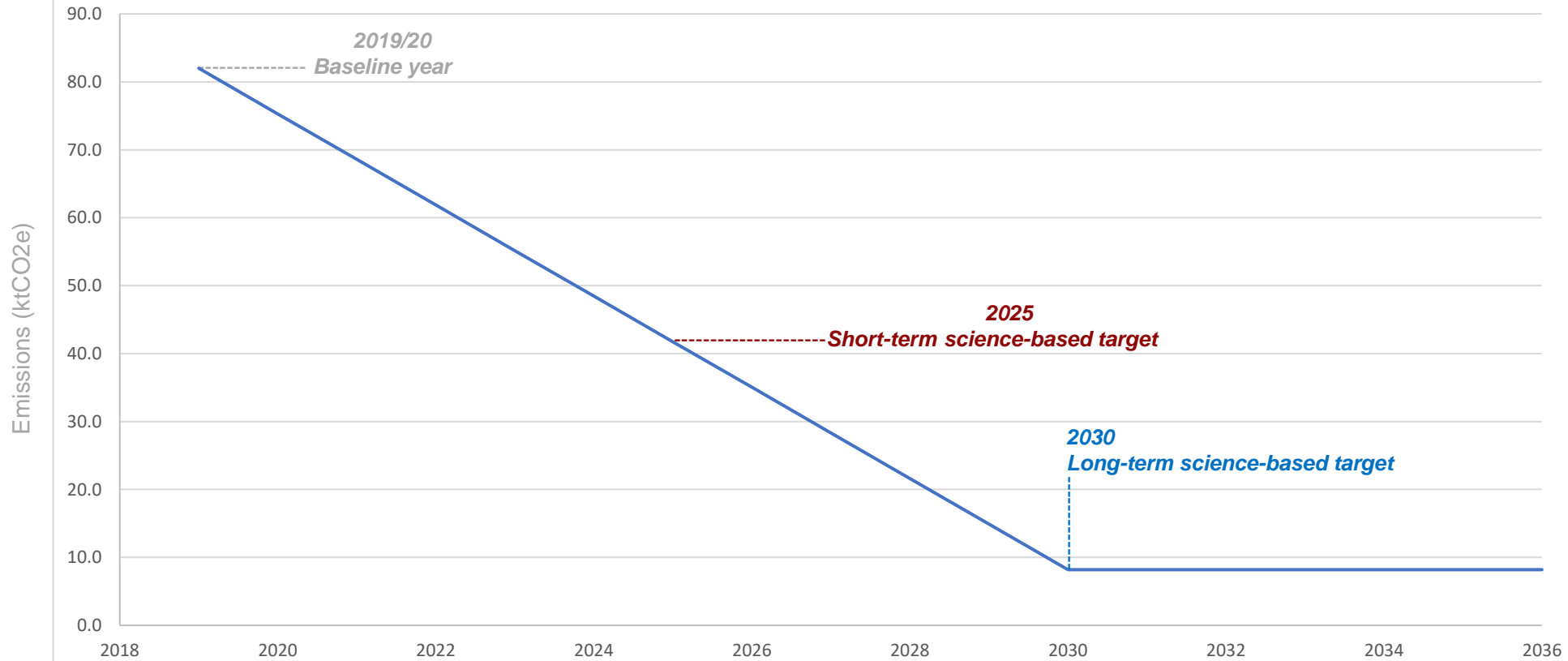
SBT states that companies should set one or more targets to reach a state of net-zero emissions, which involves:

- Reducing **scope 1, 2 and 3** emissions to zero or a residual level consistent with reaching net-zero emissions at the global/sector level
- Setting short-term and long-term targets
- Select a baseline year for long-term and short-term science-based targets
- Scope 1 and scope 2 targets to use the same base year



Corporate Net-Zero Pathway

Newport City Council



Baseline year

A base year is used to track emissions performance consistently and meaningfully over the target period.

Short-term science-based target year

5-10 year reduction target in line with 1.5 °C pathways to ensure short term climate and decarbonisation action.

Long-term science-based target year

A target should be achieved to reach net-zero emissions as an organisation to limit global warming to 1.5 °C. The target date should be no later than 2050. As a Public Sector organisation, the target date is 2030.



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*Ambitious corporate climate action
Science Based Targets*



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Building Decarbonisation Funding

Net Zero Newport - Business & Community Decarbonisation is a programme funded by UK SPF to help stimulate growth in Newport's low carbon economy and supports Newport's journey to net zero by 2050. The programme will:

- Increase uptake of energy efficiency & renewable energy measures in Newport.
- Support Newport business and community groups to reduce carbon & costs.
- Grow Newport's low carbon economy and skills.



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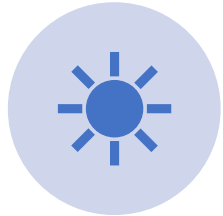
What is provided?



Free energy audits and reports to understand operational emissions of buildings



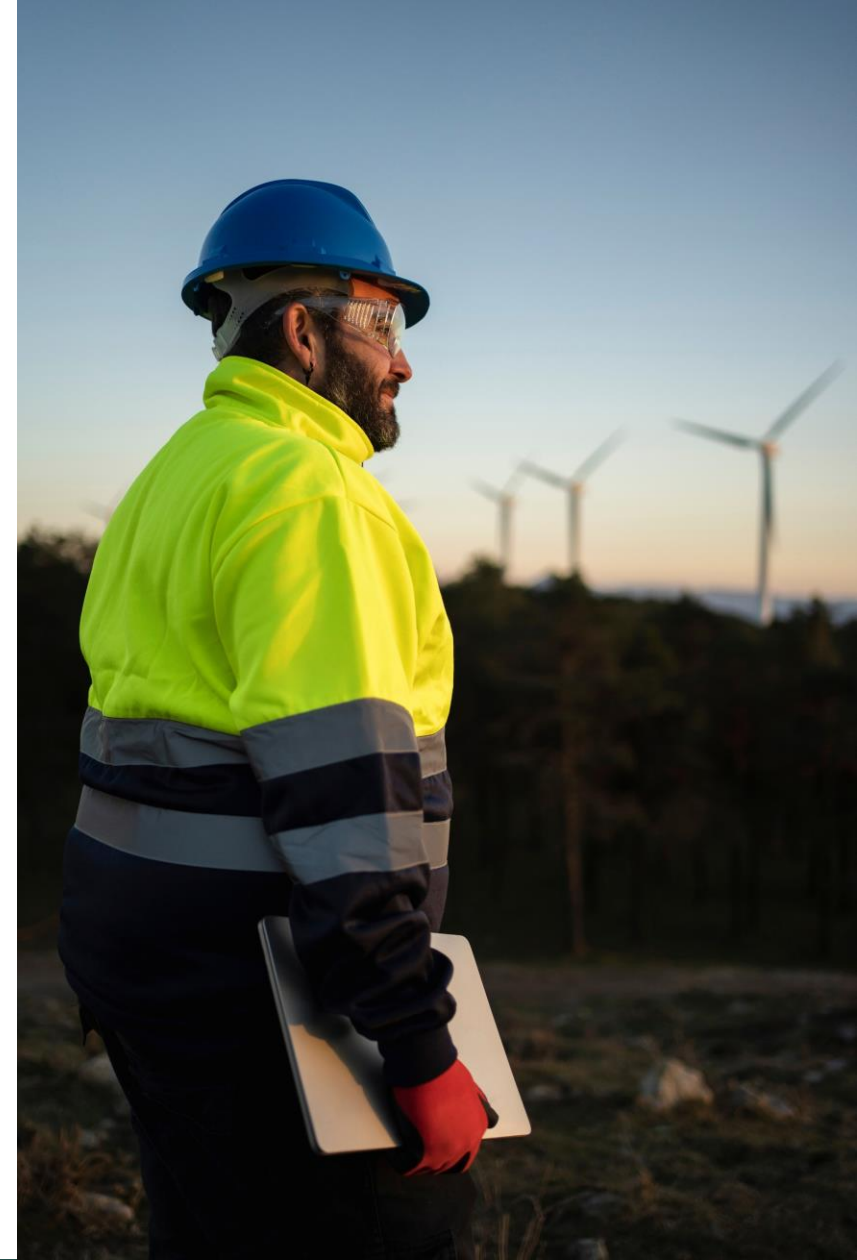
Each Newport based organisation can apply for a match funded grant – up to £30k



Installation of solar panels, low-carbon heating, LEDs, double glazing, efficient building insulation



As a Local Authority, we will support organisations to save over 20tCO₂e per annum as a result of the funding



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An aerial photograph of a city with a prominent river winding through it. Several bridges cross the river, and the surrounding urban landscape is visible with buildings and green spaces. The lighting suggests a late afternoon or early morning setting.

Thank you for listening, any
questions?