# People and Resources Committee 12 September 2024



# **HCPC Environmental Sustainability Strategy Update**

# **Executive Summary**

This paper outlines the HCPC's continued actions aligned with the environmental sustainability statement and progress towards the HCPC's net zero targets. It includes updated emissions reporting, scope plans and actions and engagement activities.

Previous consideration	The Council approved environmental sustainability plans in 2023, including publishing an environmental sustainability statement outlining our continued commitment toward environmental sustainability. This paper has been reviewed by the Executive Leadership Team (ELT).				
Decision	The Committee is asked to note the ongoing progress toward our sustainability targets.				
Next steps	This paper will be presented for further discussion to the Council at its meeting on 26 September 2024.				
Strategic priority	Strategic Priority 5: Build a resilient, healthy, capable and sustainable organisation.				
Financial and resource implications	This is a long-term objective that will require ongoing financial support. The various implementations required to deliver the objectives should in time see the organisation become more efficient and both environmentally and financially sustainable.				
EDI impact and Welsh Language Standards	Climate change poses a threat to the health and wellbeing of everyone on the planet. The HCPC has committed to reducing the impact of our operations, partly delivered through the actions outlined in this paper.				
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# **HCPC Environmental Sustainability Strategy Update**

#### Introduction

- 1. In July 2023, the Council reviewed the progress of the environmental sustainability agenda at the HCPC. Prior to this, across 2022-23, the Executive worked closely with environmental consultants (who provided the necessary technical expertise) to develop the strategy, which presented the long-term net zero aim as well as ambitious but considered targets for the organisation to work towards, defined in terms of reductions in our Greenhouse Gas (GHG) emissions reporting scopes (see appendix A).
- 2. Following review and approval by the Council, with supporting statements from the HCPC's Chair and Chief Executive, an environmental sustainability statement was published on the HCPC's website outlining our organisational commitment to environmental sustainability and supporting actions.
- In parallel, the Policy and Standards department have led work beginning the process of appropriately embedding sustainability into the HCPC's wider regulatory role.
- 4. Sustainability was considered with input from NHS England's Chief Sustainability Officer's clinical fellows as part of the Standards of conduct performance and ethics (SCPEs) review. In the consultation it was asked whether the HCPC should introduce a standard on environmental sustainability. The consultation responses showed that respondents were keen to practise more sustainably; however, there were concerns about individual responsibility and decision-making for resources and this was not included within our standards at this time. When making this decision, the HCPC agreed to consider sustainability within the scope of review of the Standards of education and training (SETs) in relation to education providers; this review has now commenced.
- 5. As a result of the SCPEs consultation, sustainable practice webpages have been published to provide additional information for our registrants. These webpages provide a range of support, including an introduction to sustainability, its applicability within health and care and a further series of external resource links.
- 6. The remainder of this paper focuses on progress against our strategy and targets on reducing the organisation's own direct emissions (GHG scope 1 gas and scope 2 electricity) as a result of the HCPC's internal corporate operations and the longer-term target of addressing indirect emissions (scope 3 purchased goods and services).

#### **Data**

7. Initially the HCPC conducted a baselining exercise measuring emissions (covering the years 2019-20 to 2021-22). The HCPC set 2019-20 as the baseline year, the point from which developments and reductions are measured moving forward.

- 8. The exercise and associated work provided the ability to analyse and understand the impacts and opportunities as shared in the July 2023 Council paper, which still holds relevance.
- 9. We have continued the process of measuring and tracking our emissions (externally measured and verified) over the period, which now also includes 2022-23 data (see appendix A). This process also saw a refinement to some of the reporting in previous years, mainly regarding commuting and working from home; we are advised refinements are to be expected as understanding and reporting detail/data improves. We will shortly begin the review of 2023-24 data, which will reflect the completed estates consolidation exercise (completed on 31 March 2023) and the move from previous "brown" electrical supplies to a net zero supply.
- 10. For the latest reporting period (2022-23), scope 3 emissions make up as much as 95% of our overall emissions (which we have less direct control over), predominantly relating to purchased goods and services, compared to 1% for scope 1 (gas) and 4% for scope 2 (electricity) (which we have direct control over).
- 11. Purchased goods and services (PGS) emissions rose between financial years 2020-21 and 2021-22 with the return to post-pandemic operations. There has been a decrease in 2022-23, with a reduction in reported spend for this category and wider use of supplier-specific emissions intensity factors leading to the sharp decline in reported emissions. Supplier-specific reporting is more accurate; it is usual to see a reduction in emissions reporting in comparison to utilising generic conversion factors.
- 12. Our consultants presented a number of key recommendations alongside the emissions reporting detail (see appendix B), which, as outlined in this paper, we are working towards or, in some cases, have achieved.
- 13. As a number of our emissions are calculated based on spending, we utilise the audited financial accounts to calculate these emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Our external emissions reporting is therefore produced retrospectively within following financial year, meaning this official reporting is a year or potentially more behind our current position. As we are still relatively early on in our sustainability journey, a high proportion of estimated data is included; data and accuracy has improved and will continue to do so as we progress.
- 14. Reporting and data require ongoing development. We plan to implement an environmental management system over the course of the next year, to provide more detailed in-year reporting and metrics in addition to the retrospective annualised reporting (which will continue for external verification purposes). In-year reporting is important particularly in relation to scope 3, to provide timely information for decision-making and to improve accuracy.

#### **Scope Plans and Actions**

- 15. Scope 1 (gas): We are currently reviewing the feasibility study conducted by engineering specialists, before entering a detailed design process. Working with our Finance and Procurement team, we will then determine contractors to implement the designed system. This is expected to be a staged process to manage cost and disruption, implementation is aimed to align with our scope target timeline.
- 16. Scope 2 (electricity): Working with Crown Commercial Services (CCS) we have continued our strategy toward renewable energy supplies. We moved from a net zero supply onto renewables, now powered by wind, water and air (as of 1 April 2024). Access to this supply of renewable energy is through an annual application process and is not guaranteed, and we will continue to work with the supplier and CCS to maintain access as far as practical.
- 17. Although moving to renewables is a significant step in reducing carbon emissions, we recognise there is more that needs to be done to reduce our overall consumption. We have upgraded to more energy-efficient LED lighting in several areas of the building to reduce overall energy consumption and, over time, reduce costs. We will continue to review our buildings, taking advice where appropriate to make informed decisions and investments to reduce consumption and related emissions.
- 18. Scope 3: This is our largest emissions area (like most businesses). Our focus in this area will continue to increase particularly as plans for our direct emissions (scope 1 and 2) gather momentum.
- 19. We continue the work with our Procurement team, who are currently in the final stages of including environmental sustainability criteria within tender and performance evaluation exercises as part of our contract management processes. As mentioned, the implementation of reporting systems, data development and metrics will help us to provide a timely and accurate understanding of our position and prioritise target areas within this scope. Where possible, we hope to draw in the target timeline set for this scope with a better understanding of our position.
  - 20. Though our business travel emissions remain low, we have continued to monitor activities to maintain these reduced travel emissions levels since 2019–20 while still meeting our statutory obligations and keeping our high service standards.
- 21. Further general actions undertaken include the following.
  - Internal reporting (unverified and unaudited) of direct emissions scope 1 and scope 2 for the financial year is now accessible.
  - Environmental sustainability has started to be included within some roles and job descriptions.

- We have changed our general office waste service provider for enhanced reporting and a move to "zero to landfill" approach.
- Governance developments include early consideration and inclusion in risk management, corporate tracking, consideration within major projects and investments; more detail provided within annual report and accounts and oversight by the ELT, the People and Resources Committee (PRC), and the Council.
- A current internal audit is in progress on environmental sustainability. We look forward to suggestions or recommendations that will strengthen and further our position.
- Additional engagement as outlined below.

### **Engagement**

# **External engagement:**

- 22. We continue to participate within a cross-regulatory Corporate Social Responsibility (CSR) working group hosted by the General Medical Council (GMC). The conversations support sustainability developments and understanding across regulators. The HCPC has presented alongside other regulators to this group on our developing plans and supported other regulators.
- 23. The HCPC has an informal seat within the Greener Allied Health Professionals (AHP) Partnership Group and presented again this year at their Greener AHP week on the process undertaken as part of the recent SCPEs review, including support provided via the HCPC website. The review of SETs will include consideration of sustainability.

# Internal engagement:

- 24. Ongoing engagement and regular updates are provided to the Employee Forum, to ensure a strong employee voice in the sustainability strategy. Working closely with its leads, the Employee Forum supported the inclusion of environmental sustainability questions within an employee pulse survey, which looked to understand from the employee's perspective the areas of focus and elements that would support them in terms of environmental sustainability within their working day.
- 25. More recently, we held an environmental sustainability workshop at our office. The workshop brought together interested colleagues from across the organisation to discuss environmental sustainability. It presented developments within the organisation to date, both internal and external (as described in this paper) and included a series of exercises to help understand some of the blockers and enablers around environmental sustainability.
- 26. Since the workshop, employees have established an online group which will be used as a vehicle for employee engagement in the sustainability strategy and

initiatives. A follow-up session to the workshop is scheduled to continue the discussion and further work ideas into actionable plans for consideration with potential broader employee involvement.

27. For example, with hybrid working now the norm, we plan to survey employee travel and homeworking arrangements to better understand these emissions and continue engagement with employees on potential innovative ways to address and reduce these emissions by working together.

#### Recommendation

- 25. The ELT recommends that the PRC and the Council notes the continued progress toward the HCPC's agreed net zero targets and the ongoing approach.
- 26. With the PRC and the Council's ongoing support, the HCPC will continue making progress towards being a leading environmentally sustainable regulator.

# **Appendices**

Appendix A: GHG Emissions Scopes and Targets and GHG Emissions reporting 2019-2023.

Appendix B: Emissions Reporting: Key Recommendations.

#### References

HCPC Sustainable practice webpages: Sustainable practice | (hcpc-uk.org)

HCPC Council Paper July 2023: <u>enc-08---hcpc-environmental-sustainability.pdf</u> (hcpc-uk.org)

HCPC Environmental Sustainability Statement: <u>The HCPC publishes its</u> <u>Environmental Sustainability Statement | (hcpc-uk.org)</u>

# Appendix A

# **Greenhouse Gas Emissions Scopes and Targets**

Scope	Emissions	Target	
		timeline*	
Scope 1	Natural Gas (direct emissions from controlled assets)	2027-28	
Scope 2	Electricity (indirect emissions from purchased energy)	2023-24	
		(achieved)	
Scope 3	Purchased goods and services (Indirect emissions	2039-40	
	from supply-chain) produced through operations.		

<sup>\*</sup> Timelines are in financial years. Works will continue within target years.

# Greenhouse Gas Emissions Reporting 2019-20 to 2022-23

Scope	Category	Total Emissions (tCO <sub>2</sub> e)	Total Emissions (tCO₂e)	Total Emissions (tCO <sub>2</sub> e)	Total Emissions (tCO <sub>2</sub> e)
	Total Scope 1	FY19-20 40.74	FY20-21 26.88	FY21-22 33.03	FY22-23 32.43
Scope 1	Natural gas	40.74	26.88	33.03	32.43
	Diesel/gas oil in generators	-	-	-	02.10
	Refrigerant gases from buildings	-	-	-	
	Fleet Vehicles	-	-	-	
Scope 2	Total Scope 2 (Location based)	146.01	104.96	101.56	79.74
	Electricity (Location based)	146.01	104.96	101.56	79.74
	Electricity (Market based)	66.26	52.22	47.35	35.43
Scope 3	Total Scope 3	4,275.62	3,100.19	4,013.01	2,152.24
	Purchased goods & services and Capital goods	3,892.40	2,820.62	3,700.96	1,814.97
	Fuel & Energy Related Activities	39.79	28.25	43.43	34.73
	Waste generated in operations	-	-	-	1.28
	Business travel	304.18	0.96	2.03	12.57
	Commuting & Remote Working	39.26	250.36	266.59	288.69
	Use of Sold Products	-	-	-	
	Investments	-	-	-	
TOTAL	ALL	4,462.36	3,232.03	4,147.60	2,264.41
TOTAL	Scope 1 & 2 (Location based)	186.74	131.84	134.59	112.17
TOTAL	Scope 1 & 2 (Market based)	107.00	79.10	80.38	67.86

# Key recommendations

- 1. Confirm with evidence a more detailed understanding of energy consumption, e.g. which offices use natural gas for heating, which use air conditioning, event usage. **Ensure primary data, such as invoices, are included.**
- 2. Consider **energy efficiency measures to reduce Scope 1 and 2 emissions** where appropriate, these measures may include (but are not limited to): heat pump installation, solar PV installation, equipment upgrades, LED light upgrades etc.
- 3. Encourage a **switch to fully renewable energy** purchasing based on this data and subject to current agreements.
- 4. Work with Procurement to improve selection of suppliers and gather info re carbon and Responsible Business, within the framework procedures.
- 5. Collect supplier information for selection of current suppliers re: carbon and Responsible Business practices. Engage with suppliers to work with them to lower emissions in goods & services provision.
- 6. Collect additional information to understand employee commuting and remote working, for example by conducting a **staff survey.** Additionally, enhance **employee engagement**, working with employees to reduce energy use in their homeworking set-up, commuting, and office behaviours.
- 7. Provide more **detailed**, **itemized**, **breakdown of business travel activities**. This should include distance travelled, mode of transport, haulage class, hotel stay details etc.
- 8. Obtain more detailed waste disposal data from current suppliers, such as how waste is dealt with after collection.

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