



Northamptonshire Healthcare
NHS Foundation Trust

Northamptonshire Healthcare Foundation Trust
Carbon Footprint Report
(2016/2017)

Prepared by: Loreus Ltd

Issue date: November 2017



Loreus Ltd have been contracted to provide ongoing support to embed sustainability throughout the Trust's operations. As part of this ongoing support, Loreus Ltd have calculated the Trust's carbon footprint for the 2016/17 financial year.

Executive summary

For the 2016/17 financial year, the Trust has made a 24% reduction in direct carbon emissions compared with the 2011/12 baseline year. The Trust is on target to achieve its 2020 target of a 28% reduction in direct carbon emissions compared with a 2011/12 baseline. Carbon emissions resulting from electricity & gas consumption have reduced by 28% and 19% respectively when compared with the 2011/12 baseline. There have been increases in the carbon emissions resulting from water consumption (+25%) & waste production (17%). Carbon emissions resulting from Travel have seen a 25% decrease when compared with the baseline year. The carbon emissions resulting from procurement have seen the single largest increase (82%). This has been driven by a £9,000,000 increase (inflation adjusted) in procurement spend over the 2016/17 financial year compared to the baseline.

Direct carbon footprint

The direct footprint total for the 2016 / 2017 financial year amounts to 8,947 tCO₂e, which is a 24% reduction from the baseline year and a 1.2% reduction compared with last year.

Emissions from procurement have significantly increased from the baseline year (82%) because of changes within the organisation. For example, services previously provided in-house, and therefore captured within the direct carbon emissions are now contracted, thus moving their emissions into the procurement element of the carbon footprint.

Table 1 below, summarises the Trust's carbon footprint for the current year and previous years.

| Source | Carbon emissions (tCO ₂ e) | | | | | % change from baseline |
|-------------------------------|---------------------------------------|--------------|--------------|--------------|-----------------------|------------------------|
| | 2011 / 2012 (baseline) | 2013 / 2014 | 2014 / 2015 | 2015 / 2016 | 2016 / 2017 (current) | |
| Electricity | 5,411 | 4,614 | 5,045 | 3,982 | 3,889 | -28% |
| Gas | 3,834 | 2,897 | 3,038 | 3,157 | 3,124 | -19% |
| Water | 69 | 42 | 61 | 84 | 86 | 25% |
| Waste | 18 | 22 | 13 | 19 | 21 | 17% |
| Travel | 2,447 | 1,821 | 1,834 | 1,815 | 1,827 | -25% |
| Direct footprint total | 11,779 | 9,396 | 9,991 | 9,057 | 8,947 | -24% |
| Procurement | 11,069 | 17,989 | 18,843 | 21,445 | 20,158 | 82% |

Table 1 – NHFT summary of carbon footprints for the current & previous years.

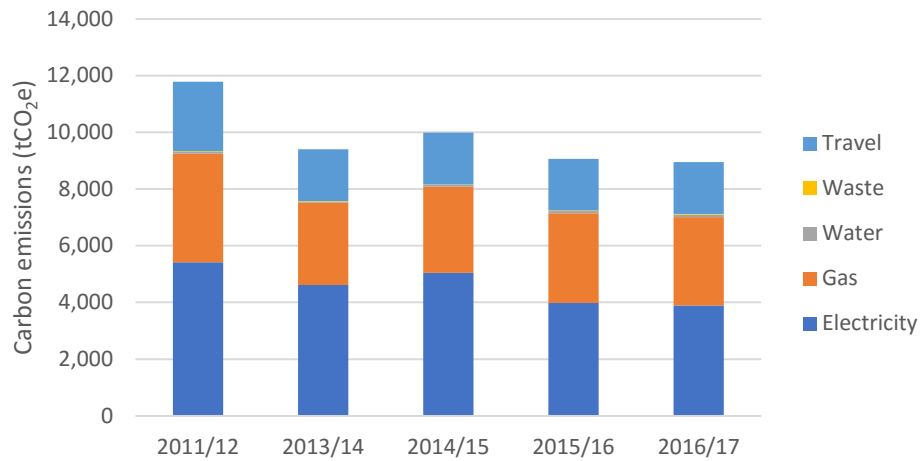


Figure 1 – Summary of the relative contributions to the Trust’s total direct carbon footprint
 Note: the contribution from waste & water is very small compared to the other areas.

Figure 1 above, highlights the relative contributions to the Trust’s direct carbon footprint. Electricity was previously the largest contributor to the Trust’s total direct footprint; however, this has been reducing over the last 5 years to the point where it is now roughly equal to the contribution from gas consumption. This reduction is partially driven by internal efficiency improvements made by the Trust but also by de-carbonisation of the electricity grid, as renewable sources are increasingly used to generate electricity.

Like all other NHS organisations, NHFT has adopted a 2020 carbon reduction target in line with the NHS Carbon Reduction Strategy for England, which details the reduction required by the NHS to meet its legal targets set out in the Climate Change Act.

Figure 2 below shows the progress made by NHFT towards their 2020 target. The figure shows the actual carbon emissions (Trust’s direct footprint) in addition to the reduction required to achieve the 2020 target. The Trust has currently made a 24% reduction in total carbon emissions compared with the 2011/12 baseline and is on target to achieve the 28% reduction by 2020.

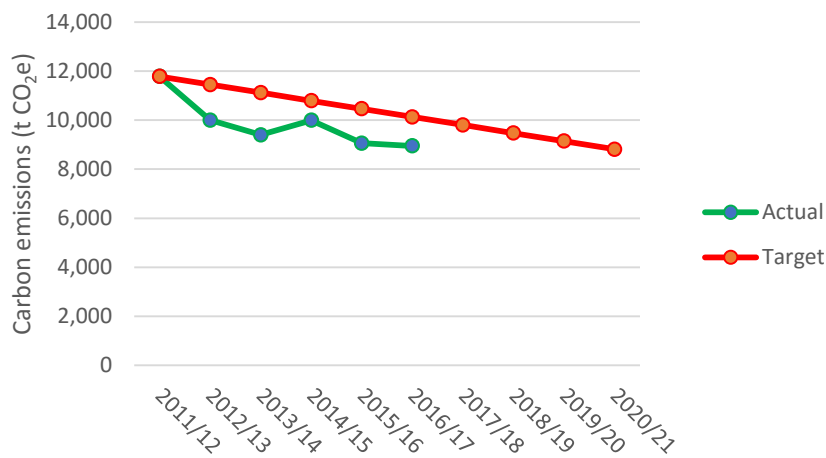


Figure 2 – progress of the Trust towards its 2020 carbon reduction target.

Procurement

Table 2 contains the annual total procurement spend for the Trust from the baseline year (2011/12) through to 2016/17.

The total annual procurement spend for the 2011/12 financial year has been adjusted for inflation using the Bank of England's online tool¹. This is to provide a more accurate comparison with the 2016/17 expenditure.

1. (<http://www.bankofengland.co.uk/education/Pages/resources/inflationtools/calculator/default.aspx>)

| | 2011/12 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Change from baseline | % change from baseline |
|---|------------|------------|------------|------------|------------|----------------------|------------------------|
| Total annual spend (£) | 44,606,476 | 50,417,272 | 51,586,825 | 59,361,374 | 58,994,705 | 14,388,229 | 32.26% |
| Total annual spend (£) (inflation adjusted) | 49,889,776 | 53,023,211 | 53,001,631 | 60,391,468 | 58,994,705 | 9,104,929 | 18.25% |
| Total emissions (t CO ₂ e) | 11,069 | 17,989 | 18,843 | 21,445 | 20,158 | 9,089 | 82.11% |

Table 2 – change in the Trust's procurement spend between 2011/12 and 2016/17.

As can be seen from table 2 above, the total carbon emissions arising from procurement in 2016/17 are 82.11% greater than the emissions arising from procurement in 2011/12. This growth in carbon emissions is driven by the increased annual procurement spend. As mentioned previously, NHFT has outsourced some services since 2011/12 which will contribute to the increased procurement spend.

Table 3 below highlights the main areas of increased expenditure (greater than £1,000,000) between 2011/12 and 2016/17 against the Trust's internal account codes. Positive values represent an increase in expenditure from 2011/12 to 2016/17, while negative values represent a decrease in expenditure.

| Account code description | Change in spend (11/12–16/17) |
|--|-------------------------------|
| Sub-Contractor - Pharmacy | 1,193,418 |
| Sub-Contractor - GP Sessions | 1,380,685 |
| Sub-Contractor - Substance Misuse Recovery | 1,238,550 |
| Escort & Bedwatch | 1,292,967 |
| Other General Supplies & Services | 1,780,270 |
| Legal/Professional Fees | 1,092,391 |
| Rents/Operating Leases | 2,460,276 |
| Contract IM&T - LGSS | 3,959,703 |

| | |
|----------------------------------|------------|
| Depreciation on Buildings | 2,525,606 |
| Depreciation of Own/Lease Assets | -1,618,847 |
| Non-Pay Reserves | -1,403,177 |
| Non-Pay CIP | -1,547,539 |

Table 3 – summary of the largest changes in spend between 2011/12 and 2016/17