



HM TREASURY

**PUBLIC SECTOR ANNUAL REPORTS:
SUSTAINABILITY REPORTING**

Guidance for 2012-13 Reporting

**(Incorporating minimum reporting requirements
and further voluntary reporting)**



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1. INTRODUCTION

Purpose of Guidance

1. The purpose of this guidance is to facilitate the completion of sustainability reports in the public sector. It sets out the Minimum Requirements, some best practice guidance and the underlying principles to be adopted in preparing the information. It is aligned with the ['Greening Government Commitments Guidance'](#), applicable to Central Government bodies, to ensure consistency, with the ambition to strive for a single reporting mechanism in the future.
2. Reporting organisations are encouraged to report beyond these requirements, in particular to consider and report on the economic, social and environmental impacts that are most material to the organisation and how these relate to policy, procurement and operations. Additional voluntary guidance is contained in Section 6, Further Voluntary Reporting, which helps to set the scene for organisations in terms of future goals for sustainability reporting.

Aim

3. The aim is to provide the reader of public sector annual reports with some confidence that information published is consistent and comparable between both different public sector bodies and between different accounting periods for the same body.
4. The publication of information is expected to influence improved performance management in relation to sustainability. By using a format that covers both financial and non-financial performance it is hoped that the cost implications and related benefits of becoming more sustainable is also recognised.

Scope of reporting

5. This guidance is applicable to all central government bodies that fall within the scope of the Greening Government commitments¹ (i.e. departments, non-ministerial departments, agencies and NDPBs) and which produce Annual Reports and Accounts in accordance with HM Treasury's Government Financial Reporting Manual (FReM), and are therefore required to produce a sustainability report, unless exempted from doing so². In doing so the wider reporting policies in terms of annual accounts laid down in the FReM are applicable to Sustainability Reports (e.g. treatment of changes mid-year).
6. This guidance is not applicable to the Devolved Governments of Northern Ireland, Scotland and Wales, which will follow their own arrangements in respect of sustainability reporting for organisations falling under their remit. This guidance is also not applicable to local government entities.

¹ This excludes schools and NHS bodies, but includes trading funds, unless exempt. In producing a consolidated sustainability report the DfE would therefore only include its agencies and NDPBs. DH would only include its agencies, NDPBs and SHAs.

² A Sustainability Report is not mandatory for entities that are not required to report against the 'Greening Government' commitments due to exemption by de minimis threshold or other exemption.



7. **The guidance will be updated annually** to take into account any new Government commitments, developing best practice and experience, and to widen the scope of the minimum reporting requirements. Initially these have been focussed around environmental aspects of sustainability. This is expected to be expanded in future years to consider other areas such as social and economic factors.



2. MINIMUM REPORTING REQUIREMENTS - OVERVIEW

Overview of Requirements

1. Since 2011-12, all bodies that are required to produce a sustainability report (see Section 1 paragraphs 5-6) in accordance with the Government Financial Reporting Manual (FReM) are required to include a discrete section in their Annual Report covering their performance on sustainability during the year. The section in the Annual Report must include:
 - A simple overview commentary covering their performance in the reported year along with an overview of forward plans; and
 - A comparison of financial and non-financial information covering the organisations emissions, waste and finite resource consumption. Details of an illustrative format for a table, and guidance supporting its population, are included within this Guidance.
2. The key principles of such reporting are that it should provide both transparency, in terms of clarity and openness, consistency for comparative purposes and accuracy.
3. The requirements for minimum reporting as part of 2012-13 HM Treasury Sustainability Reporting are fully consistent with non-financial information requirements laid down under the Greening Government commitments (GGC), which requires reporting against the GGC transparency commitments.
4. The following table provides an overview of the minimum requirements in each of the three main reporting areas:

Area	Type	Non-Financial Information	Financial Information
Greenhouse Gas Emissions	Scope 1 (Direct) GHG Emissions	All Scope 1 emissions must be accounted for. These occur from sources owned or controlled by the organisation. Examples include emissions as a result of combustion in boilers owned or controlled by the organisation and fugitive emissions from equipment such as air conditioning units. This includes emissions from organisation-owned fleet vehicles (including vehicles on finance leases). An analysis of related gas consumption, in Kwh, should also be included.	Gross expenditure on the purchase of energy, expenditure on the CRC Energy Efficiency Scheme, expenditure on accredited offset purchases, total expenditure on official business travel and expenditure on reported areas of energy use;
	Scope 2 (Energy Indirect) Emissions	All Scope 2 emissions must be accounted for. These result from energy consumed which is supplied by another party (e.g. electricity supply in buildings or outstations), and purchased heat, steam and cooling. An analysis of related energy consumption, in Kwh, should also be included.	
	Scope 3 Official Business Travel Emissions.	Scope 3 emissions relating to official business travel directly paid for by an organisation (i.e. not business travel re-charged by contractors) must be accounted for. Minimum requirements do not include international air or rail travel in line with GGC.	



Waste minimisation and management	The minimum requirement is to report absolute values for waste from the organisation’s estate (administrative and operational - Operational construction waste is not a minimum requirement) against the following categories; (a) total waste arising, (b) waste sent to landfill (e.g. residual waste), (c) waste recycled / reused (recycled, composted, internal or external re-used), and (d) waste incinerated / energy from waste (e.g. food waste).	Total expenditure on waste disposal. (incl waste disposal contracts, specialist waste arising and the purchase of licenses for waste) and expenditure against each of the additional three categories (b) to (d) opposite.
Finite Resource Consumption	As a minimum public sector bodies must report on estates water consumption in cubic metres. Public sector bodies must also consider reporting their consumption of any other finite resources where their use is material.	Total expenditure on purchase of related finite resources including purchase of licenses.
Biodiversity Action Planning	The commentary section must cover any biodiversity action plans and the organisations performance against them in line with GGC. This requirement applies only to those organisations subject to the GGC.	Not required.
Sustainable Procurement	The commentary must explain progress in achieving more sustainable procurement methods, in line with GGC.	

- Expenditure information should be collected through normal financial systems developing the financial systems accounts coding to ensure clarity of cost capture in alignment with audited year-end financial accounts, although differing approaches may be required in some departments. This will also provide internal visibility for in-year monitoring purposes and will assist in development of any future performance management targets in expenditure areas.

Minimum Non-Financial Reporting Requirements

- The minimum non-financial reporting requirements are detailed in the table above. Emissions are defined under three different scopes by the Greenhouse Gas (GHG) Protocol www.ghgprotocol.org. These scopes are explained more fully later in this guidance.
- Organisations should, wherever possible, make use of their normal accounting and environmental management systems to regularise the collection of such information throughout the year. This may require additions / changes to existing systems (e.g. fields to capture quantitative information, additional subjective codes in financial systems etc.) or processes, these should be identified as early as possible so that the necessary changes can be made to capture the required information.

The Accounting Year

- All information included in the Sustainability Report is to conform to the normal public sector financial year of 1 April to 31 March (recognising that UK strategic carbon budgets are set by calendar year).

Sustainability Report Format

- An example of the commentary and reporting format required for Public Sector Annual Reports is at **Example 1** at the end of this section. The populated information has been included purely for illustrative purposes. The format has been



developed to show the connectivity of the different areas. However it is not a prescribed proforma for reporting – organisations may wish to develop the format further to fit their business providing that the format covers the minimum information requirements (including nil returns).

- Overall strategy for sustainability;
 - Greenhouse Gas Emissions;
 - Waste minimisation and management; and
 - Finite Resource Consumption.
 - Biodiversity Action Planning (commentary overview).
 - Sustainable Procurement (commentary overview).
10. Organisations that are more advanced in their reporting may wish to add on additional sections to cover other aspects.
 11. Comparisons of the data for at least the previous 3 prior years must be included as *it becomes available* following the introduction of these new requirements. Requirements on updating prior years' data is included later in this guidance.
 12. The report must include a brief commentary in the available boxes, which explains the performance in terms of key performance indicators (KPIs), direct impacts and indirect impacts. This must discuss trends and the organisation's strategic role in improving performance.
 13. Notes must be included at the bottom of the Sustainability Report to briefly disclose changes in policies and boundaries (with a pointer to the organisation's website page containing more detail) and any other information, which will provide clarity to the reader of the report. This must include details of coverage of the report such as details of areas accounted for in terms of carbon emissions.

Sustainability Report Length

14. It is imperative that sustainability reports do not become overly burdensome either to the reporting body or the reader. Organisations should ensure, therefore, that the report is concise and clear in its delivery. Where possible, narrative should refer the reader to other areas of the Annual Report or the organisations website if relevant performance is already covered.

Performance Improvement and Measurement

15. Whilst the purpose of the new reporting format is to encourage public sector organisations to improve their performance on sustainability issues, this guidance does not cover advice on the setting of performance measures, commitments or targets.
16. Some public sector organisations already have sustainability measures against which they must report. The Government has set 'Greening Government' commitments for central government bodies. The NHS has published its own Carbon Reduction Strategy and also assesses performance using the Good Corporate Citizenship tool developed jointly with the SDC.



17. Defra has issued guidelines to help the private and public sector identify and set suitable measures and KPIs. That guidance will help in identifying relevant KPIs for the public sector to report on. Further details can be found at <http://www.defra.gov.uk/publications/2011/03/25/environmental-kpi-guidelines-pb11321/>.

Reporting Performance against Measures

18. Where relevant measures have been set, performance against them should, where possible, be included in the sustainability report, giving due consideration to report length. If performance has already been published elsewhere an overview of performance with a link to the details is acceptable. The commentary must be clear as to whether performance is improving or worsening and not assume that the reader will understand the metrics. When reporting against measures, the report should be clear as to which years have been set as the baseline. The Greening Government Commitments establishes a baseline year for the indicators it covers. To ensure consistency the same baselines should be used within the sustainability report.
19. Organisations must provide prior year data (e.g. three years as reported information becomes available) to provide a historical perspective of performance. Where a base year is used as a basis of performance monitoring, the base year data must be updated and reported in line with changes in accounting policies and boundaries. When material changes occur, the prior-year figure reported for comparative purposes should also be updated with an explanation being provided in the notes (para 30 below refers). Where possible, the organisation should also compare performance against other benchmarks such as similar organisations.

Normalising Reported Performance

20. To enable an organisation to make comparisons in its performance on minimum reporting requirements between years, reports must include details of performance normalised by a consistent factor which is considered appropriate to aid comparability between years. This may result, for example, in normalisation by Full Time Equivalent (FTE) staff numbers.

The Departmental Sustainability Reporting Accounting Boundary

21. The departmental sustainability reporting accounting boundary aims to match in principle the departmental financial reporting boundary, as detailed in the Government Financial Reporting Manual³. However, where there is inconsistency between the boundaries (e.g. NHS bodies and schools fall outside the scope of Greening Government reporting and hence sustainability reporting), paragraph 22 seeks to explain how this should be managed. The financial reporting guidelines which establish the reporting boundaries of scope 1 and 2 emissions are those that determine whether related assets and liabilities are included in the Statement of Financial Position, or more colloquially are 'on balance sheet.' In order to retain

³ Financial Reporting Manual - http://www.hm-treasury.gov.uk/frem_index.htm



consistency with the Greening Government Commitments, overseas operations are excluded from the reporting requirements.

22. Where the financial reporting boundary is different from that used by the department for full sustainability reporting, then an analysis of financial information should be provided to allow reconciliation with the sustainability reporting accounting boundary used. In essence this means that the bodies/areas included in Sustainability Reports should be clearly distinguished from those not included – showing the related financials as per the organisation's Annual Accounts. This will help the reader understand the materiality from a financial perspective. Paragraph 27 below provides guidance on explaining the difference where the reasons for non-inclusion are due to lack of information (e.g. phased implementation). The difference should be clearly explained in a note to the sustainability report.
23. Setting the Public Sector Sustainability Reporting Accounting Boundary in accordance with the financial reporting guidelines will in most cases result in reporting for all areas for which the organisation has direct control. However, some more specialised arrangements will need to be considered:
 - Outsourcing contracts – e.g. in terms of carbon emissions that could be considered to be scope 3 (and therefore not part of minimum reporting requirements) but the scale and nature of the arrangement may make it more appropriate for early inclusion in reports; and
 - PPP arrangements, including PFI contracts.
24. For the specialised arrangements above, the financial reporting treatment provides the basis on which the treatment of these arrangements will be considered on a case-by-case basis. Where there are significant outsourcing contracts the reporting of the resultant emissions is encouraged as soon as possible as part of the best practice scope 3 emissions, but they should not be treated as scope 1 or 2 emissions if the financial reporting treatment suggests otherwise.

Consistency within the Sustainability Reporting Accounting Boundary

25. The purpose of sustainability reporting is to provide transparency on Public Sector performance in organisations year-on-year. For this purpose it is important that the top level of organisations (generally Departments) communicate clear accounting treatments or policy for areas in this guidance where discretion is given. The key is ensuring that treatments are consistent within organisations and from year-to-year so that trends can be easily recognised and understood. Where inconsistencies within accounting boundaries or between different years exist, they should be explained in the commentary. However, this should not detract from continuous improvement in data provision: the key is to ensure that the reader is clear on what is being reported, what is missing and what future plans are for developing the information.

De minimis thresholds and other exemptions

26. Similar to Greening Government commitment reporting, de minimis thresholds and other exemptions granted will also apply in respect of sustainability reporting.



Availability of Underlying Data: Material Omissions and use of Estimates

27. Where information is not available to populate the minimum reporting requirements, estimates must be used using a clear, documented methodology. A note must be made at the bottom of the Sustainability Report to explain where estimates have been included and the proportion estimated (where part of a larger figure). It must provide a reference to the organisations website, which must explain what plans are in place to improve data collection.
28. Where a robust estimate is not possible, and a material omission of information or data results, an explanatory note must be made at the bottom of the Sustainability Report, and it should explain what plans are in place to improve data collection.
29. The methodology for estimates will be left to the discretion of the reporting entity to ensure that it is able to use that which is most appropriate. Guidance and advice on estimating carbon emissions has been published by Defra and can be found at <http://www.defra.gov.uk/environment/economy/business-efficiency/reporting/>.

Changes to Reporting, Accounting Policies and Organisational Boundaries

30. Changes to accounting policies or boundaries which have a material impact on the way emissions, waste and/or finite resources are reported, or on their method of calculation, must be brought to the attention of the reader by way of a footnote with a link to a more detailed explanation on the organisation's website. Organisations must also state their policy for re-baselining any reported information, this should be consistent with the guidance set out by the Greening Government Commitments.
31. When amended, prior-year figures must be re-stated, where data is available, using the new policy or boundary for comparative purposes.

Amending Prior-Period Figures

32. Occasionally factors may come to light, such as errors of omission or calculation, which will result in a material change to published prior year figures. In such circumstances the prior-period figures must be restated in the Annual Report and the nature of the change must be brought to the attention of the reader by way of a Note at the bottom of the Sustainability Report, with a link to a more detailed explanation on the organisation's website. Generally the assessment of materiality is a matter of accounting judgement rather than policy. Advice in relation to the organisation should, in the first instance, be sought from accounting colleagues.

Application of the Materiality Concept

33. Organisations should account for all of the minimum requirements with as much accuracy as possible. The materiality concept should only be applied to decisions on reporting or amendments to reporting in relation to providing a 'fairly stated' view of the information for the reader. Where there is some concern that data is incomplete a note should be made at the bottom of the Sustainability Report, with a link to a more detailed explanation on the organisation's website.



Shared Services and Facilities including Multiple Occupancy Sites

34. Where a reporting entity shares a service or a facility with another organisation, consideration should be given as to how shared sustainability data should be split in relation to the different accounting boundaries. Where this relates to two or more public sector organisations the method should be jointly agreed to ensure consistency. The agreed method should be properly documented for audit purposes.
35. Where impact between the different organisations is material, steps should be taken to ensure that actual consumption can be measured for each organisation and costs properly attributed.
36. Under the GGC, In circumstances where an organisation is part of a multiple-occupancy site, they should adopt the following guidance:
 - All data for estate related targets should be collected at whole building level. This means that the holder of space shared with other government departments should report on behalf of all occupiers. Departments are expected to collate details of buildings covered (Name, Town, NIA in m², FTE).
 - Where a building is shared with the Private Sector, the reporting body needs only report the Central Government share of the impact, using the best quality data available.
 - Where an individual occupation by a minor occupier is larger than 1,000m², supports more than 250 staff, or is greater than **20%*** of the reporting body's total estate, and both parties agree, then an application to vary away from the project default may be proposed, and organisations may report at occupation level.

** this level of significance remains to be tested, and will be reviewed as part of future refinements of the reporting regime*

This provides an issue in that the non-financial data reported will be set on a different basis of financial data (eg electricity consumption, where electricity is re-charged). In such circumstances the organisation should consider the best form of reporting for their organisation in terms of being transparent on their sustainability performance in their annual report.

Information provided by Third Parties

37. Third parties often provide required information for sustainability reporting including:
 - Travel providers for carbon data related to travel sourced through them;
 - Waste Contractors providing details of waste; and
 - Water and energy suppliers will provide much of the information used for the reporting of finite resources.
38. Public Sector organisations making use of such information must ensure that it has been calculated in accordance with the requirements of this guidance. They should also ensure that it is of sufficient quality to meet any audit requirements.



39. It is recognised that, for large contracting organisations, the capture of sustainability information from contractors may present difficulties. Where gaps in information exist as a result, these should be recognised in the commentary along with proposals for bridging the gap in future.

Audit and Scrutiny

40. Assurance arrangements for sustainability reports are under consideration with the National Audit Office (NAO). There are no plans, at present, for the NAO to audit these reports. Whilst external assurance and verification of reported figures will not be required for 2012-13 sustainability reports, it is important that all organisations introduce relevant internal audit arrangements and ensure that the correct procedures are in place. This should provide a body's senior management with appropriate assurance about the data quality of figures and information reported in sustainability reports. Internal arrangements should include:
- Appropriate policies and procedures for recording and reporting data, which are consistent with the guidance on minimum requirements, and are applied in practice;
 - Appropriate systems and processes to secure the quality of the data, minimising manual intervention and the number of data sources;
 - Arrangements to ensure that relevant staff have the skills to produce reliable sustainability information; and
 - A robust system of internal control and validation.
41. The organisation's arrangements in relation to sustainability reporting and internal assurance should be covered by existing responsibilities in the Governance Statement. As is already the case with the annual report and SIC, external auditors will report by exception where the information contained in the annual report, including information on sustainability reporting, is inconsistent with the information they have obtained as part of their audit of the financial statements.
42. There are a range of possible options for future external assurance including full substantive assurance on the data (financial and non-financial) and assurance on the adequacy of the underlying data systems, which are being explored, and are subject to further consultation with key stakeholders. Following completion of the work a consultation with departments will follow to seek views on the options for external assurance and the timing of its introduction.

Examples of Sustainability Reports already implemented

43. Section 7 includes examples of Sustainability Reports implemented for 2011-12 reporting. Organisations may also wish to consider benchmarking and best practice reviews undertaken by other organisation on sustainability reporting, such as:
- NAO Briefing '[Sustainability Reporting in Government](#)' (Dec 2012);
 - PwC/NAO '[Building Public Trust](#)' Awards review of sustainability reports across the private and public sectors.



EXAMPLE 1: Public Sector Sustainability Reporting Format

Example Commentary on Sustainability Performance; Department/Agency Yellow

1. Initial narrative setting out the reasons behind undertaking sustainability reporting. Explain that it conforms to the public sector requirements and where the requirements are laid down (e.g. FReM and website for guidance).

Summary of Performance

2. Provide a brief explanation of the effectiveness of the programmes set up to improve sustainability in the organisation and its impacts externally.
3. Provide a high level discussion of the targets and direction of the organisation in terms of performance. Essentially it sets the scene for the information that follows and puts it into context for the reader. This could include any references to external verification etc. Provide the reader with a quick summary of the information on the pages that follow. The exact areas shown would be defined by their relevance to the specific reporting entity. The following table is an example of how this may be reported:

Area		2012-13 Performance	
		Actual	Target
Greenhouse Gas emissions (Scopes 1, 2 & 3 Business Travel including/[excluding] international air/rail travel)		x,xxx tCO ₂ e	[Insert target]
Estate Energy	Consumption	xx.x million kWh	[Insert target]
	Expenditure	£xxx,xxx	[Insert budget]
Estate Waste	Amount	xxx tonnes	[Insert target]
	Expenditure	£xxx,xxx	-
Estate Water	Consumption	xx,xxx m ³	[Insert target]
	Expenditure	£xxx,xxx	-

- Include a summary of normalised performance (ref Section 2, para 20).
- Industry or sector benchmarks should be referred to where available.

Summary of Future Strategy

4. Provide an overview of the organisation’s future strategy to improve performance.

GHG Emissions

5. Provide a high level discussion of the targets and direction of the organisation in terms of performance.

Waste

6. Provide a high level discussion of the targets and direction of the organisation in terms of performance.



Use of Resources

7. Provide a high level discussion of the targets and direction of the organisation in terms of performance against the consumption of natural resources.

Climate Change Adaptation and Mitigation

8. Provide a high level discussion of the direction of the organisation in terms of performance (or refer to the section of the Annual Report where it is covered).

Biodiversity and Natural Environment

9. Provide a high level discussion of the direction of the organisation in terms of performance (or refer to the section of the Annual Report where it is covered). It is recognised that this will not apply to many organisations.

Sustainable Procurement including Food

10. Provide a high level discussion of the targets and direction of the organisation in terms of performance (or refer to the section of the Annual Report where it is covered).

Sustainable Construction

11. In line with the transparency requirements of the Greening Government commitments, the organisation should give an overview of the management of construction waste to best practice standards, the application of BRE's Environmental Assessment Methodology, and the extent to which standards used at the London 2012 Games have been applied/exceeded.

People

12. Including for example, reporting on social and environmental assessment of office re-locations, and action taken to promote staff wellbeing.

Environmental Management System (EMS)

13. Provide a high level overview of any EMS in place for the organisation.

Governance

14. Explain the governance processes in place to support management of sustainability performance. For example, whether it is managed as part of the organisations standard performance management regime, such as through a balanced scorecard, and how the information is used to support corporate decision making.
15. This should include a brief outline of the systems and methods used for collecting the data, and how assurance is gained to ensure that it is robust. Organisations are responsible for applying appropriate data quality standards, and collecting and presenting data that conforms to the prescribed definitions in the guidance. Organisations are also responsible for introducing arrangements to satisfy themselves that information in sustainability reports is reliable (see Audit and Scrutiny, paragraph 40).



16. Organisations already have a responsibility to report on their internal assurance arrangements in the annual Statement of Internal Control, and this should cover the arrangements for sustainability reporting

The following pages provide an illustrative example of the required report. The enclosed format covers 2011-12 but dates will be required as at 2012-13. In using the illustrative example, organisations should ensure that the remaining items in the example report above are also addressed.



Department/Agency Yellow: Illustrative Sustainability Report

Department/Agency Yellow Sustainability Report For the Year ended 31 March 2012

GREENHOUSE GAS EMISSIONS		2008-09	2009-10	2010-11	2011-12	Graphical Analysis
Non-Financial Indicators (1,000 tCO2e)	Total gross emissions	58	56	61	55	
	Total net emissions	58	56	61	55	
	Gross emissions Scope 1 (direct)	-	-	19	55	
	Gross emissions Scope 2 & 3 (indirect)	-	-	41	39	
Related Energy Consumption (million kWh)	Electricity: Non-Renewable	-	-	-	-	
	Electricity: Renewable	57	56	61	55	
	Gas	10	12	11	10	
	LPG	-	-	-	-	
Financial Indicators (£ million)	Other	3	-	-	-	
	Expenditure on Energy	5.0	6.6	7.0	5.6	
	CRC License Expenditure (2010 onwards)	-	-	-	-	
	Expenditure on accredited offsets (e.g. GCOF)	-	-	-	-	
Expenditure on official business travel.		11.9	15.1	15.2	14.9	

PERFORMANCE COMMENTARY (INCL MEASURES)

Dept Yellow has a target to reduce its carbon emissions by 30% (to xxx tonnes) by March 2012 from our 2006-2007 levels, which it is on track to achieve. A new target is currently being considered for the period beyond 2012 and this will be disclosed in the 2012-13 business plan due to be published in February 2012.

CONTROLLABLE IMPACTS COMMENTARY

The main direct impacts for Department Yellow are in its electricity and fuel consumption. Strategies have been prepared to reduce these direct impacts through efficiency programmes.

OVERVIEW OF INFLUENCED IMPACTS

Dept Yellow is able to significantly influence the emissions of its supply chain through procurement specifications. An action plan is now in place to communicate to suppliers about future contracts and expectations with regards to emissions reductions. We also actively discuss our emissions policy with the public to encourage them to consider their own personal impact when making use of our services.

WASTE		2008-09	2009-10	2010-11	2011-12	Graphical analysis		
Non-Financial Indicators (tonnes)	Total waste	-	913	590	673			
	Hazardous waste	Total	-	14	3	5		
		Non hazardous waste	Landfill	166	143	81		-
			Reused/Recycled	348	707	448		594
			Composted	-	49	59		70.5
			Incinerated with energy recovery	-	-	-		70
Incinerated without energy recovery	-	-	-	-				
Financial Indicators (£k)	Total disposal cost	1894	1927	2139	1942			
	Hazardous waste	Total	853	395	590	465		
		Non hazardous waste	Landfill	629	394	1043		837
			Reused/Recycled	412	598	506		640
			Composted	-	-	-		-
			Incinerated with energy recovery	-	-	-	-	
Incinerated without energy recovery	-	59	-	57				

PERFORMANCE COMMENTARY (INCL MEASURES)

We have a target of zero waste to landfill by 2012, which we are on target to meet.

CONTROLLABLE IMPACTS COMMENTARY

The main direct impacts of waste for Dept Yellow are in relation to construction waste from the building of new offices. This is expected



to decrease in line with the final delivery of the Department's new office building programme.

OVERVIEW OF INFLUENCED IMPACTS

Dept Yellow is able to place certain quality objectives on its suppliers in terms of their waste disposal performance. The Department is currently working alongside suppliers to improve both the culture (staff attitudes) and actual performance in relation to waste management and disposal.

FINITE RESOURCE CONSUMPTION			2008-09	2009-10	2010-11	2011-12	Graphical Analysis	
Non-Financial Indicators ('000 m ³)	Water Consumption (Office Estate)	Supplied	62	61	57	56		
		Abstracted	-	-	-	-		
		Per FTE	-	-	-	-		
	Water Consumption (Non-Office Estate)	Supplied	-	-	-	-		
		Abstracted	-	-	-	-		
		Water Supply Costs (£K)	205	245	270	207		
Financial Indicators (£K)	Water Supply Costs (Office Estate)	205	245	270	207			
	Water Supply Costs (Non-Office Estate)	-	5	4.7	4.8			

PERFORMANCE COMMENTARY (INCL MEASURES)

We have set a 2012 target to reduce water consumption by 25% from 2005-2006 levels to 51,223m³. We have met our year on year targets to date as shown in the above graph.

CONTROLLABLE IMPACTS COMMENTARY

Our major impacts in terms of water consumption are in our construction activities. We are addressing these through improved procurement and partnerships with suppliers.

OVERVIEW OF INFLUENCED IMPACTS

The Department also has an indirect impact through the setting of water supply policy for new communities' development it is sponsoring. Negotiations are in place to ensure that a fully sustainable supply is considered.

NOTES:

1. The above report has been prepared in accordance with guidelines laid down by HM Treasury in 'Public Sector Sustainability Reporting' published at www.financial-reporting.gov.uk.
2. Emissions accounting includes all Scope 1 and 2 emissions along with separately identified emissions related to official travel. Detailed Departmental policies for carbon accounting within Department Yellow, in support of HMT Guidance, can be found on our website at [insert website address]. Defra conversion rates have been used to account for carbon except in the following areas: [e.g. use of specialised construction indices available from University of Bath].
3. [Individual bodies to provide details of any change to accounting policies or boundaries which impacts prior year, or year-on-year, reporting.]
4. [Individual bodies to provide details of any web published information supporting the report].



3. GREENHOUSE GAS (GHG) EMISSIONS: MINIMUM REQUIREMENTS

Purpose

1. The purpose of this Section is to provide detailed advice on accounting for greenhouse gas emissions for publication in public sector annual reports. This is often commonly referred to as carbon accounting or carbon foot printing. Further development guidance on areas beyond the minimum requirements can be found in **Section 6**. Central Government Departments and subordinate bodies will also be subject to Greening Government Commitments (GGC), and should read this in conjunction with those requirements and ensure consistency of reporting (including baselines).
2. Accounting for emissions involves the collection of baseline information, such as fuel use, mileage, electricity/gas consumption and use of raw materials, which can then be converted into carbon dioxide equivalents (CO₂e) using conversion and emission factors. Much of the baseline information is already available on commercial invoices and other business documentation. All GHG emissions can be accounted for as they occur (i.e. use of energy in processes, manufacturing or travel) or on the basis that they have already been incurred (i.e. embodied carbon in raw materials or assets used). This concept is similar to financial accounting in terms of current and capital expenditure. Defra guidance on measuring and reporting on GHG emissions provides detailed advice on how to collect and calculate information on emissions and is at <http://www.defra.gov.uk/publications/2011/03/26/ghg-guidance-pb13309/>.

Metrics

3. The standard metric to be used to report Greenhouse Gas (GHG) emissions in the public sector is the Carbon Dioxide Equivalent (or CO₂e) in tonnes. Use of this metric allows for the capture of information related to the six greenhouse gasses covered by the Kyoto Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆).

Reporting and Accounting Requirements – Financial Information

4. Organisations should report on gross expenditure directly attributable to energy consumption and expenditure on the CRC Energy Efficiency Scheme, any expenditure on accredited offset purchases and total expenditure on official business travel as a minimum. Any financial information reported should be associated with and akin to the reported carbon emissions.
5. Best practice reporting would also include a breakdown of expenditure between different types of travel and details of other expenditure directly related to emissions reduction projects or low emissions solutions.

Reporting and Accounting Requirements – Non Financial Information

6. The minimum reporting requirements for emissions and energy consumption in the Sustainability Report are outlined in Section 2, which is supported, by an example of the minimum report format in **Example 1**. The overall figure should be supported



with a bar chart showing a segmented breakdown of where the emissions occur in relation to the organisational activity with which they are associated.

7. To ensure transparency in line with Defra reporting standards, public sector organisations must account for and report on emissions resulting from electricity consumption through the use of the Defra grid average conversion factor. It is recognised that some organisations will wish to report reduced emissions due to, for example, the use of renewable tariffs and carbon offsets. These may be shown as reductions to bring the reported gross emissions amount to a net figure - but any reduction cannot be included in the required gross emissions figure. All figures should be prepared in accordance with the carbon accounting standards and the more detailed supporting cross-public sector policies as detailed within this document. More detailed organisation-specific accounting policies should be clearly documented and published on the organisation's website.

Energy

8. Energy usage accounting is closely related to that of carbon emissions, as the former drives much of the latter. For this purpose energy consumption and expenditure are also to be reported alongside GHG emissions. As public sector organisations are required to report on both areas, it is both more efficient for those preparing reports, and more useful to those reading reports, for the two areas to be reported together, using a consistent accounting approach.
9. Carbon accounts are produced on a gross basis. All inputs into gross emissions that pertain to energy use should be converted to kilowatt-hours for the purpose of energy usage accounting.
10. Unlike carbon accounting, renewable energy should not be netted off, as it still constitutes use of energy. Likewise, any energy produced on site should not be netted off. Instead, these two forms of energy should be stated separately alongside non-renewable energy with a total amount of energy use given. Definitions of these two forms of energy should follow guidance agreed for carbon accounting.
11. Energy accounting should follow agreed public sector standards used in carbon accounting for both boundaries of inclusion and, for best practice, the treatment of embodied energy.

Emissions Accounting Standards and Guidance

12. This guidance has been developed to be consistent with the following standards, with further more detailed definition being provided later in this guidance:
 - **The Green House Gas (GHG) Protocol** at www.ghgprotocol.org. The World Resources Institute and the World Business Council for Sustainable Development developed this Protocol. It lays down accounting principles, which are generally akin to financial Generally Accepted Accounting Principles (GAAP). This framework is used by the International Standards Organisation (ISO) and is recommended by Defra. However, some principles do offer choice, which needs to be refined to ensure consistency for public



sector use. Policies in support of this framework are detailed further in this guidance;

- **Defra Guidance on calculating and estimating emissions.** Defra have produced guidance for organisations to measure and report their GHG emissions which has been published on their website at <http://www.defra.gov.uk/publications/2011/03/26/ghg-guidance-pb13309/>
13. Where no appropriate conversion or translation factor is available from the Defra / DECC range, organisations may make use of other emission factors available, for example, from accredited university or international research. The Defra Guidance linked above provides details of alternative sources of emissions factors. In such circumstances a note should be made at the bottom of the Sustainability Report detailing the departure from the Defra / DECC factors.

Weather Correction of GHG Emissions information

14. In line with Defra guidance, organisational GHG emissions information should not be weather corrected.

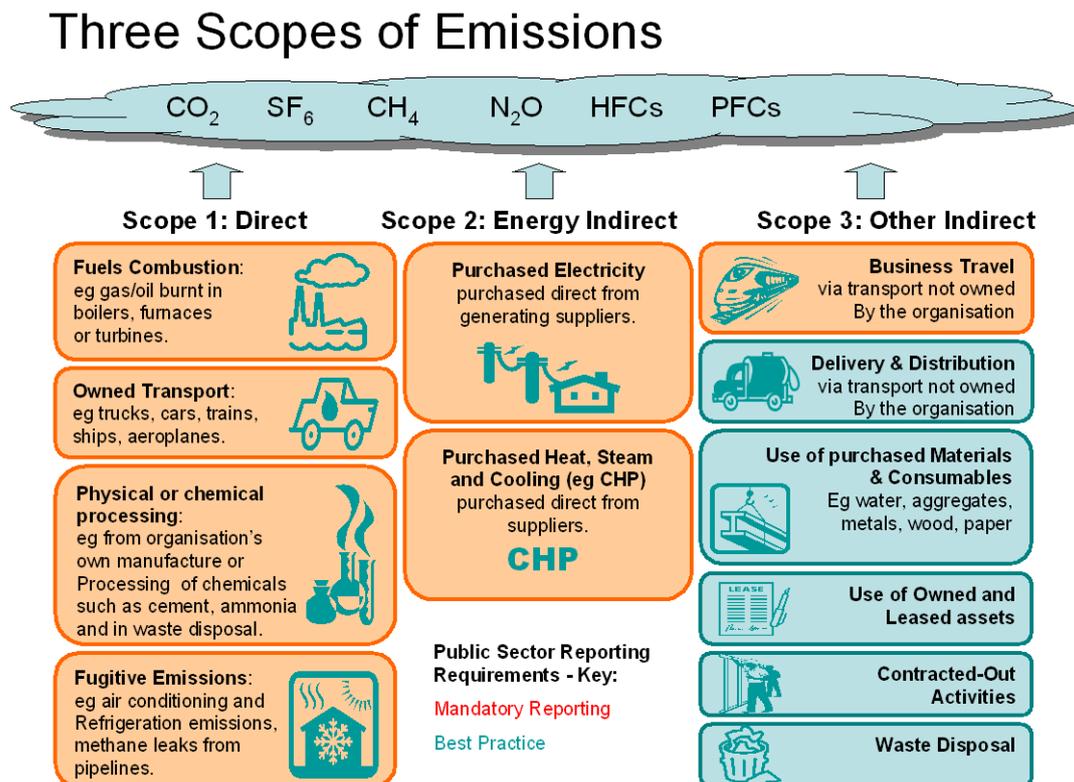
The Public Sector Accounting Boundary for Carbon

15. The GHG Protocol suggests two distinct approaches to setting accounting boundaries:
- *Equity Share Approach.* Where accounting for emissions is undertaken according to the share in the company in terms of economic interest; and
 - *Control Approach.* Where an organisation accounts for 100% of emissions from operations over which it has control. Control is defined in either financial or operational terms.
16. The departmental sustainability reporting accounting boundary is detailed in section 2 of the guidance.

Minimum Reporting Requirements for Public Sector emissions

17. The GHG Protocol introduces three scopes, as follows:
- **Scope 1: Direct GHG Emissions.** These occur from sources owned or controlled by the organisation. Examples include emissions as a result of combustion in boilers owned or controlled by the organisation. This includes emissions from organisation-owned fleet vehicles;
 - **Scope 2: Energy Indirect Emissions.** As a result of electricity that we consume which is supplied by another party. For example, electricity supply in buildings or outstations. Defra has advised that this should also include other purchased indirect emissions sources such as heat, steam and cooling; and
 - **Scope 3: Other indirect GHG Emissions.** All other emissions which occur as a consequence of our activity but which is not owned or controlled by the accounting entity. These include, for example, emissions:

- As a result of staff travel by means not owned or controlled by the organisation (e.g. public transport or commercial airlines). It should be noted that this excludes the requirement to include international air and rail travel (in line with GGC which removed the requirement to ensure a strategic fit with UK-wide carbon budgets). However, for the purposes of HMT reporting organisations may chose to include it on a voluntary basis;
 - Resulting from work done on the organisation's behalf by its supply chain;
 - Embodied in assets (i.e. as a result of raw materials extraction, manufacturing and transportation); and
 - The emissions associated with the use of an organisation's products and services.
18. The minimum requirement for public sector emissions accounting is full coverage of Scope 1, Scope 2 and emissions resulting from staff travel on official business under Scope 3.
19. The three scopes and their public sector reporting requirements are depicted in the following diagram:



Consolidation of Emissions Information

20. The GHG Protocol provides advice on the issue of double counting, suggesting that, providing Scope 1 and 2 emissions are distinguishable it will be easy to prevent double counting. Organisations should, therefore, ensure that they are able to separately distinguish between the three scopes for consolidation purposes.



Accounting for Scope 1 (direct) Emissions

21. Scope 1 emissions arise from organisation-owned and operated vehicles, plant and machinery such as fleet vehicles, air conditioning, boilers and generators. Emissions can be calculated using conversion factors in relation to fuel consumption and combustion, and fugitive emissions from air-conditioning units.

Accounting for Scope 2 (energy indirect) Emissions

22. Scope 2 emissions arise from the consumption of purchased electricity, heat, steam and cooling. Emissions can be calculated using conversion factors in relation to electricity consumption.

Accounting for Scope 3 – Official Travel Emissions

23. These are often recognised as the easiest emissions in Scope 3 to monitor and control. Whilst, for some organisations, they may be relatively small in relation to the overall carbon footprint, they have a significant role to play in changing the culture of an organisation in terms of carbon management. It is for this reason that they have been included as part of the minimum requirements for public sector reporting.
24. Organisations should decide how best to categorise their methods of official transport to ensure ease of calculation, through availability of Defra/DECC GHG conversion factors, and to enable performance management of this area in the future. A suggested segmental analysis for data collection is as follows:
- Air (with further break-down between Domestic, Short & Long Haul optional); it should be noted that this excludes the requirement to include international air travel (in line with GGC which removed the requirement to ensure strategic fit with UK-wide carbon budgets). However, for the purposes of HMT reporting organisations may choose to include it on a voluntary basis;
 - Rail/Underground/Tram;
 - Bus/Coach;
 - Hire Car/Taxi; and
 - Private Vehicle (owned by staff and often called the 'Grey Fleet', these are generally older than hire cars).
25. Where entities make use of travel cards, season tickets or other travel arrangements such as Oyster cards, they may decide to equate financial expenditure associated with the card with travel emissions for the purposes of determining carbon emissions (subject to materiality). Use of this type of estimation method is entirely acceptable providing that materiality is taken into account and the methodology is documented.

Accounting for Emissions and Energy Use in Shared Buildings

26. Estimates should be made on energy consumption where exact data is not available. This should be highlighted by way of a note along with actions to ensure future data capture if possible.



Accounting for Renewable Energy (Gross v Net Emissions)

27. Government policy is that organisations should account for electricity from green energy tariffs using the rolling grid average emission factor - average rate of carbon emissions associated with electricity transmitted on the national grid - unless their supplier can prove the carbon benefits are additional. For further information please see <http://www.defra.gov.uk/publications/2011/03/26/ghg-guidance-pb13309/>
28. Organisations can separately account for a reduction in their net emissions figure from a green electricity tariff, which meets the Government's 'good quality' criteria. Details of the 'good quality' criteria can be found in Annex G of '*Guidance on how to measure and report your greenhouse gas emissions*', linked above. The emission reduction reported should be based on the additional carbon saving associated with the tariff. Your electricity supplier should be able to provide details of this.

Accounting for Sequestration on the Public Sector Estate

29. Carbon Sequestration is the process by which carbon dioxide sinks (natural and artificial) and removes CO₂ from the atmosphere. A Carbon Dioxide (CO₂) sink is a carbon dioxide reservoir that is increasing in size, and is the opposite of a carbon dioxide 'source'. The Kyoto Protocol allows the use of sinks as a form of carbon offset (i.e. reduces net emissions). The main natural sinks are the oceans' biological pump; and plants and other organisms that use photosynthesis to remove carbon from the atmosphere by incorporating it into biomass and releasing oxygen into the atmosphere. Artificial Sinks are created through Carbon capture and storage (CCS) instead of releasing it into the atmosphere.
30. Whilst the Public Sector Estate has a significant impact in terms of sequestration which, in turn, will have a large impact in terms of reducing emissions it is not proposed that organisations should account for sequestration on their individual estates at this time as this would involve extremely complex accounting with little benefits in terms of driving improved sustainability performance.

Accounting for Offsets

31. Carbon offsetting involves calculating your emissions and then purchasing 'credits' from emissions reduction projects. The projects have prevented or removed an equivalent amount of carbon dioxide elsewhere. The following offsets only can be accounted for as a reduction to overall carbon accounts – and each must be separately disclosed where a separate carbon account is published. Each unit represents 1 tonne of CO₂ or its equivalent;
 - **Certified Emissions Reduction (CER)**. A credit from Kyoto Clean Development Mechanism (CDM) projects issued by the CDM Executive Board. CDM enables Annex 1 countries to invest in project-based emission reduction activities in developing countries;
 - **Emissions Reduction Unit (ERU)**. Credits from Kyoto Joint Implementation (JI) projects issued by the host country by converting either AAUs or RMUs. JI allows Annex 1 countries to jointly implement emissions reduction projects



with the 16 investing country being able to “credit” the reductions against their own reduction obligations;

- **Removals Unit (RMU).** A Kyoto unit representing a net removal of greenhouse gases through land use, land use change or forestry activities issued by the Kyoto Annex 1 Country; and
- **Government Carbon Offsetting Facility (GCOF).** The GCOF is available for all central Government departments and other public sector bodies to offset emissions from official and ministerial air travel in a simple and cost effective manner that will also ensure high environmental integrity.

4. WASTE: MINIMUM REQUIREMENTS

Purpose

1. The following guidelines seek to help those organisations reporting information on the amount of waste they generate in carrying out their activities, and the costs associated with this. It is designed to provide guidance for public sector organisations reporting their environmental performance in their annual report and accounts.
2. The reporting requirements for absolute quantities of waste should be taken from the latest guidance issued by the Department for Environment, Food and Rural Affairs (Defra), found at <http://www.defra.gov.uk/environment/economy/business-efficiency/reporting/>. Any changes to this Defra issued guidance will be incorporated into public sector reporting.
3. At present the accounting treatment for waste is absolute quantities as decommissioned or removed.

Activities contributing to this category

4. Waste will be generated from a range of sources, and will currently be reported by Central Government Departments, Agencies and NDPBs under the requirements of the Greening Government commitments. These include figures for waste arising and recycled waste. To meet the requirements for the new commitments data will need to be collected across the following categories, all of which will be relevant to sustainability reporting;
 - waste arising;
 - waste recycled and reused;
 - ICT waste recycled and reused (externally);
 - waste composted (or sent to anaerobic digestion);
 - waste incinerated with energy recovery;
 - waste incinerated without energy recovery; and
 - waste to landfill;
5. This information covers all buildings owned or leased by central Government departments and their executive Agencies, who will already be required to report this for the Greening Government Commitments.
6. As part of the latest Greening Government Commitments, central Government will be collecting data on paper usage and ICT equipment re-use and recycling. We would advise that paper usage in line with the GGC guidance should be reported in the resources section of the report. If the organisation collects any additional data on paper recycling this should be captured within the waste section. The GGC guidance should be referred to for specific detail on what should be included within paper usage.

7. The nature of the organisation in question will clearly affect the range and volumes from the respective sources of waste. Where third party suppliers undertake the specific waste collection and disposal activities on behalf of the organisation, e.g. office waste collections, then obtaining information from these suppliers will be a critical element of this work. It would be advisable to engage with suppliers at the earliest opportunity to discuss this.
8. In line with the stated criteria for inclusion in the sustainability report we would encourage organisations to use the financial control basis when measuring their waste volumes. This will mean trying to include information on waste generated by contractors or third parties working on behalf of the organisation. For major construction projects (over £300k) Site Waste Management regulations (2008) now mean that necessary measures should be in place in order to supply the required information for reporting the volumes of waste from these projects. The latest Greening Government commitments paper focuses on waste from buildings, as a minimum organisations should be reporting this.
9. Guidance on measuring and collecting information on waste can be found in the Defra Environmental Key Performance Indicators document available on the Defra web site at <http://www.defra.gov.uk/environment/economy/business-efficiency/reporting/>.

Metrics

10. As a minimum reporting should include absolute values for the total volumes of waste produced from buildings (office and non-office) in the categories below over the reporting period, and the financial costs associated with this. If you are unable to currently provide this information then this should be clearly stated and reasons given, as well as an action plan to ensure that you can report this data in the future.
 - total tonnes of waste arising;
 - total tonnes of waste recycled and reused;
 - total tonnes of ICT waste recycled and reused (externally) ;
 - total tonnes of waste composted;
 - total tonnes of waste incinerated with energy recovery;
 - total tonnes of waste incinerated without energy recovery;
 - total tonnes of waste to landfill;
 - comparisons for the previous 3-5 years should be included where available.

These categories are all required under the Greening Government Commitments.

11. Given that physical quantities for these waste streams will need to be reported, the information for this should be available. Financial data for the specific waste streams maybe harder to capture, however, every effort should be made to include financial data for each category if possible, along with a total cost for waste. It is appreciated however that existing commitments exclude the impacts from third parties or contractors working on behalf of the organisation, and operational activities. We would encourage organisations to try and include data from these

sources in their waste reporting, and discuss any steps they are taking towards achieving this in the narrative of the report.

12. Where organisations derive income from particular waste streams, this should be offset against any costs to show a net figure.
13. **Example 1** demonstrates how this information could be presented. It uses a graphical representation of the quantitative information, clearly showing annual trends. Where possible, it would be beneficial to report costs and quantities for hazardous waste disposal separately as shown in the diagram. Physical data for hazardous waste should be readily available. All quantitative figures for waste should be given in metric tonnes per annum, based on your financial reporting cycle.
14. **Example 1** also illustrates how the financial information should be presented. Where possible this should be analysed into the same categories as the physical quantities and show the cost of waste removal and disposal. This is important for demonstrating the financial materiality of the individual waste streams. This information will need to be extracted from existing financial systems. It is likely that this will present a significant challenge, largely because the majority of financial systems are not set up to deliver this level of granularity in terms of cost data. If it is not initially possible to extract individual cost data, then a total waste disposal cost should be presented, leaving the individual sections blank. Progress towards achieving full granularity on the cost data should be discussed in the narrative section. As described previously, this may present a significant challenge as far as third party construction work is concerned. Discussions with the third party organisations should facilitate this, and in the long term inclusion of this information is important.
15. The DEFRA issued guidance 'environmental key performance indicators for business' provides further details on reporting on waste across these categories. <http://archive.defra.gov.uk/environment/business/reporting/pdf/envkpi-guidelines.pdf>

Standards and Methodologies

16. The following reporting standards exist:
 - DEFRA environmental key performance indicators – reporting guidelines for UK business
<http://archive.defra.gov.uk/environment/business/reporting/pdf/envkpi-guidelines.pdf>;
 - Legal requirements for Hazardous Waste reporting (<http://www.environment-agency.gov.uk/business/topics/waste/32180.aspx>);
 - Public sector signatories to the Construction Commitments: Halving Waste to Landfill report annually their waste and waste to landfill per £100k of construction spend via a web-based portal at <http://www.wrap.org.uk/construction>; and the
 - Global Reporting Initiative – includes aspect EN22 that covers waste reporting <https://www.globalreporting.org/Pages/default.aspx> Guidelines.pdf.
17. If any estimation methods are used then this should be reported. The existing methodology directs readers to HMRC conversion factors for converting volumes to

weight, use of these and the current data reported to central Government for the Greening Government Commitments would be consistent.

Standards and Methodologies in Development

18. The following reporting standards are currently in development and are expected to be issued shortly;
 - IPD Environment code (applicable to buildings); and
 - OGC Property Benchmarking Scheme (applicable to buildings).

Reporting against Performance Measures and Tracking progress

19. The Greening Government commitments waste targets include:
 - a 25% reduction in the total overall volume of waste from 2009-10 levels by 2015;
 - to cut paper use by 10% in 2011-12; and
 - reuse and recycle redundant ICT equipment
20. In addition to this, organisations may have their own targets for waste reduction. Any targets should be reported clearly, and progress against them stated.
21. Whilst an organisation may not have specific financial targets, financial information should be presented over 3-5 years where available. Additional information should be provided in the narrative text, this becomes especially important if you are changing reporting methods or approaches. As described previously, if it is not possible initially to publish full granularity on the cost data then this should be highlighted in the narrative section.

5. FINITE RESOURCE CONSUMPTION: MINIMUM REQUIREMENTS

Purpose

1. The Government has policy objectives to reduce the use of finite, natural resources. It is important that public sector organisations lead the way in monitoring, managing and reporting the use of finite resources.
2. This section sets out guidance for reporting the use of finite resources by public sector organisations. It is split into sections for water, energy and other finite resources. Within each section, further background is provided to the minimum requirements set out in section 2. In addition, each section also provides guidance for best practice reporting that goes beyond the minimum requirements.

Water - Overview

3. Organisations should place the use of water in context, considering the level of use and regulatory requirements. The latest Greening Government Commitments paper establishes best practice benchmarks for office water use. For non-office use organisations are required to establish their own reduction targets.
4. The total impact of an organisation's water usage is termed its 'water footprint'. This is divided into direct use and indirect use. As a minimum, reporting must cover direct water use as measured in cubic metres: the measurable consumption from water providers, abstraction and collection.
5. Water sources can be classified in a similar way to carbon emissions, as follows:
 - **Scope 1: Water owned or controlled by your organisation.** This would include water reserves in lakes, reservoirs and boreholes;
 - **Scope 2: Purchased water, steam or ice.** This would include your mains water supply as well as other deliveries of water for the purpose of heating (e.g. CHP), water coolers, ice; and
 - **Scope 3: Other indirect water.** This would include embodied water emissions in products and services (upstream) as well as the products, services and policies that you contribute to water use (downstream).
6. The minimum source reporting requirements for organisations is to cover the use of water from Scope 1 and Scope 2 water sources.

Direct water use (minimum requirement)

7. Direct water use should be reported in cubic metres, broken down by source if possible (water from a 3rd party supplier, abstracted water, and where data exists, collected water), and split between the office and whole estate.
8. Public sector organisations should ensure that KPIs and reported results conform to the common reporting requirements set out above. This includes disclosing where KPIs are changed between years and including normalisation of water use. This also includes reporting expenditure on water.
9. The reporting of indirect or "embedded water", water that is embodied in assets, will follow in future guidelines as accounting standards are developed. As a minimum, in

line with the requirements in Section 2, a narrative on the indirect use of water should be included in the sustainability reports of all public sector bodies.

10. Office water use should be reported against the per FTE benchmarks that are included in the Greening Government Commitments.

Other Natural Resource Consumption

11. In addition to the mandatory requirements to report on water consumption, public sector bodies should at a minimum consider whether there are any other finite resources whose use has a material impact. To determine whether the use of a finite resource is material, organisations should first consider the role areas of finite resources play in the delivery of their strategic policy objectives.
12. Organisations must then consider these priorities in the context of their operational activities and their wider requirements as public sector bodies. It may be that the use of particular resources is at such a low level that reporting is not judged necessary. On the other hand, regulatory requirements from Government may dictate that reporting of particular resources is necessary regardless of their level.
13. Defra's Environmental Reporting Guideline key indicators should be used to assist the above process. Chapter 4 provides suggested areas of reporting for different types of organisations, including those in the public sector. Information on how the use of other selected finite resources is provided in chapter 3. <http://archive.defra.gov.uk/environment/business/reporting/pdf/envkpi-guidelines.pdf>
14. The Global Reporting Initiative (GRI) provides further guidance on the reporting of the use of several finite natural resources not currently addressed by the above Defra document. The metrics and methodologies of these indicators should be used for finite resources other than water and energy where no guidance is provided by the Defra Environmental Key Performance Indicators. The GRI information can be found on their website at <https://www.globalreporting.org/Pages/default.aspx?Guidelines.pdf>
15. For example, several public sector organisations, including the Highways Agency, have determined that the use of metal aggregates constitutes a material finite resource to their organisation and will begin reporting its use in line with the above standards. Additionally, organisations with significant landholdings may determine that the biodiversity indicators provided above would be useful to the readers of their sustainability report.
16. If an organisation determines it should report the use of another finite resource, the same format and content should be provided as other areas, including targets where available, normalisation by total expenditure, expenditure on the reported resource, industry benchmarks where available and a commentary on indirect use.
17. In addition, Public Sector organisations should consider including reportable environmental incidents, information on these can be found at <http://www.environment-agency.gov.uk/contactus/36345.aspx>.
18. Paper use is included in the Greening Government commitments, with an aim to cut paper use year on year. This is linked to other procurement led initiatives, including efforts for a "closed loop" recycled paper contract. Organisations are required to report on the volume of paper they purchase, so should include reporting on this in

their sustainability report. Refer to the guidance produced for the Greening Government Commitments ['Greening Government Commitments Guidance'](#) for exact details of what should be included within this category, specifically quantities of A3, A4 and A5 used.

6. FURTHER VOLUNTARY REPORTING

Extending reporting beyond the minimum requirements

1. The reporting boundaries for environmental information must follow financial reporting guidelines. The minimum reporting requirements include all scope 1 and 2 emissions of the reporting entity, and scope 3 emissions relating to business travel only. However, as organisations become more proficient in managing their own internal performance on sustainability, they should then consider how they could seek to improve the sustainability in areas where they have an influence. One such are in the public sector is influencing performance through procurement; another is through policy.
2. The scope of reporting of sustainability performance within the annual report set out in this guidance is restricted to Greenhouse Gas Emissions, Waste Minimisation and management, Finite Resource Consumption, Biodiversity Action Planning (commentary overview) and Sustainable procurement (commentary overview). As set out in Section 2, it is recognised that there are many other aspects to sustainability that have not been given coverage in the minimum requirements. Organisations more advanced in their ability to report may wish to add on additional sections, for example how delivery of the body's strategy is supported by, and reliant on, actions taken to respond to economic, environmental and social factors. Through this analysis, the body may also describe how performance relating to social or other material environmental impacts is linked to financial outcomes.

Producing a detailed Carbon Account

3. Organisations more advanced with carbon accounting coverage may decide to publish a detailed account of their carbon emissions often referred to as an 'inventory'. An example of how such an account might look is shown at **Example 2** at the end of this Section.

Accounting for non-travel Scope 3 Emissions – General Advice

4. These tend to be the most difficult areas to be able to account for as they usually relate to work done on behalf of the organisation but out with its normal organisational control. However, such emissions can be considerable in size and organisations may have a high degree of influence in respect of financial control through procurement. As a first step organisations are suggested to liaise with suppliers concerning emissions to establish if they have their own reporting mechanisms. Over time it is expected that organisations will increasingly use Scope 3 carbon emissions as a factor in both supplier suitability and tender assessment.

Accounting for Scope 3 – Supply Chain Emissions

5. The public sector has a vast supply chain and potentially significant influence over the way it operates in terms of its emissions. This covers only those

emissions that would factor under the Public Sector Sustainability Reporting Accounting Boundary – i.e. over which the public sector has budgetary control.⁴

6. Scope 3 supply chain emissions of the entity reporting under this guidance include all emissions arising from the related activity of its suppliers, regardless of whether they would be classified and reported separately as scope 1, 2 or 3 emissions by the supplier themselves. To collect this information an organisation will need to liaise closely with its supply chain to ascertain information. [A cross-Government approach to Scope 3 supply chain emissions is being considered for central government departments (though the scope may be widened at a future point to the wider public sector) on engaging with suppliers on supply chain emissions reporting].

Accounting for Scope 3 - Embodied Carbon Emissions

7. All physical assets will have some measurement of carbon dioxide equivalents which have been emitted as a result of raw materials extraction, transport and/or manufacturing. Whilst embodied carbon is not mandated for reporting under the GHG Protocol, it is important that these emissions are considered and eventually accounted for in some way by public sector organisations to:
 - Encourage less waste (and therefore further carbon emissions) through non-essential asset consumption;
 - Encourage lower carbon emissions in raw material extraction and manufacture through public sector procurement; and
 - Reflect the true cost to an organisation or a project in terms of CO₂e emissions from asset consumption for carbon budgeting purposes.
8. Such assets can either be consumed immediately upon use or they may be used over a number of years. Under present public sector financial accounting policies, the value of the assets can be spread over their 'useful economic life' through depreciation. However, this accounting treatment would be difficult to implement in relation to embodied carbon assets as it would involve the development of an inventory of the embodied carbon for all assets currently being utilised by an organisation – akin to developing a carbon balance sheet in financial accounting terms. Hence, initially organisations undertaking accounting for embodied carbon should account for it upon purchase. Details of the organisations accounting policy in this respect should be maintained on the website – particularly where embodied carbon in only certain assets is being accounted for.
9. Publicly Available Standard (PAS) 2050 provides advice on producing a lifecycle carbon footprint for a product. This provides a detailed methodology to calculate the full lifecycle emissions of a product or service. PAS 2050 can be expensive to implement, however there are methods for apportioning emissions to products and services that can be usefully adopted here.

⁴ The Public Sector Sustainability Reporting Accounting Boundary is the reporting boundary for sustainability reporting, as defined by reference to financial reporting boundaries for central government in the minimum requirements Section 2, paragraph 22.

Other GHG Emissions Accounting Guidance

10. The following organisations also provide broader information about carbon accounting, *but this should not be used as an alternative* to the above guidance:
- **Carbon Disclosure Project** (an independent not-for-profit global organisation) is supporting a **Climate Disclosure Standards Board (CDSB)**. The CDSB is a consortium of seven business and environmental organisations that has been formed for the purpose of jointly advocating a generally-accepted framework for corporations to report climate change-related risks and opportunities, carbon footprints, and carbon reduction strategies and their implications for shareholder value in mainstream reports. Presently their advice is to follow the GHG Protocol. More details can be found at <http://www.cdsb.net/> ;
 - The **Global Reporting Initiative (GRI)** provides guidance to organisations about disclosure of their sustainability performance, and also provides stakeholders a universally applicable, comparable framework in which to understand disclosed information. More details can be found at <https://www.globalreporting.org/Pages/default.aspx>. There is no detail on carbon accounting policy; and
 - The **International Standards Organisation (ISO)** publishes advice on standards for carbon foot printing, including ISO 14064-1, which is their corporate carbon foot printing standard.

Further Waste Reporting

11. Whilst it is intended that waste reporting should include waste from all sources, there is clearly a focus on waste from offices in the guidance. Construction, demolition and excavation (CD&E) waste will clearly be significant for some public sector bodies. Reporting data on this will often present unique challenges, often as a result of third parties being involved in this work. The Waste & Resource Action Plan (WRAP) website at www.wrap.org.uk can provide useful information on how to capture and report waste arising from CD&E work. Specific reporting guidance is available at - <http://reportingportal.wrap.org.uk/Downloads/CDEW%20Reporting%20Guidance.pdf>.
12. In addition to reporting financial data on the waste disposal and removal costs it would be useful to include the value of the products and materials being disposed of. This would help to demonstrate efficient use of resources.

Further Resource Reporting - Indirect water use

13. For many public sector organisations, indirect water use will comprise the majority of their 'water footprint'. To address this water use, these organisations may wish to go beyond the minimum reporting requirements for the use of water set out above. These organisations should analyse and report in narrative the material indirect effects on water use caused by organisational activities and policy. Public Sector organisations should consider two forms of indirect impacts on the use of water: the effects of policy on water use and the use of embedded water by an organisation.

14. When considering the use of embedded water, organisations should analyse both the levels of water used by suppliers and the source of water used by suppliers. A high volumetric water footprint does not necessarily mean high impacts and vice versa. Importing goods with a high water footprint from areas with high rainfall and good water management may be preferable to importing goods with a lower water footprint from areas where water is scarce. This adds an additional layer of complexity to developing appropriate tools to measure water footprints.
15. Organisations could report on engagement with their suppliers to reduce their consumption of virtual water. This would include steps taken to obtain data from significant suppliers on the level and source of their water use and steps taken to encourage more sustainable water use by suppliers. The guidance supporting the Greening Government Commitments includes detail on reporting supply chain impacts. This includes specific reporting requirements on engagement work to assess and report supply chain impacts including water and waste. Organisations choosing to include supply chain reporting in their sustainability report could make use of this guidance.
16. To provide an effective breakdown of the impact of policies on water use that is consistent with best practice in the private sector, organisations should consider the following three types of water in their disclosure of targets and performance:
 - Blue: water from rivers, lakes, aquifers;
 - Grey: water polluted after agricultural, industrial and household use; and
 - Green: rainfall to soil consumed in crop growth

Emerging Water Accounting Standards

17. The development of water accounting standards for individual entities that include indirect use of water is several years behind those for carbon emissions.
18. There is substantial activity underway to develop a method to assess the amount of water embedded in a product. This is in chief being led by the Water Footprint Network (WFN) – an initiative based in the Netherlands. The WFN was founded by University of Twente, WWF, UNESCO-IHE, The Water Neutral Foundation, WBSCD, The International Finance Corporation (part of the World Bank) and the Netherlands Water Partnership in October 2008. The network's mission is to promote the transition towards sustainable, fair and efficient use of fresh water worldwide. It is undertaking research to further develop methods to measure water footprints. In addition a working group is to be established by ISO to examine the development of a standard in this area. This will take some time to do as these processes can typically take between 3 to 5 years.
19. In July 2009 Defra has commissioned a food research project to understand the specific challenge posed by virtual water contained in food. It will analyse a set of commodities grown in the UK and abroad, with the aim of understanding the associated impacts. Warwick Horticultural Research International, a department of the University of Warwick, leads the study.

Embodied finite resources

20. Physical assets, both current and non-current, require the use of natural resources in manufacturing and distribution. This is the equivalent to GHG Protocol “Scope 3 emissions” in carbon accounting. Ultimately, it is important that embodied water, energy and other resources are accounted for in some way by public sector organisations to:
 - encourage less waste (and therefore further use of finite resources) through non-essential asset consumption;
 - encourage lower resource use in asset manufacture and raw material extraction through public sector procurement; and
 - reflect the true cost of an organisation or a project in terms of the use of finite resources.
21. In the short term, due to difficulties in calculating the resources used in creating an asset—particularly those already acquired—and the lack of relevant accounting standards, quantified reporting of accounted embodied resources will not be required. Progress on achieving this is more advanced in the field of carbon accounting than in the areas discussed in these guidelines, with the exception of energy.
22. As standards are developed for water and other finite resources, the FREM should adopt their use. This will enable consistency among those organisations that report embodied resources on a voluntary, and eventually mandatory, basis.
23. The lack of accounting standards for embodied resources does not preclude reporting in this area. The Public Sector Sustainability Report allows for narrative reporting of indirect sustainability impacts to take place alongside numerical financial and non-financial information. Public sector organisations wishing to follow best practice should set concise, measurable targets designed to capture activities that will reduce the indirect use of finite resources. Annual reports should then include these targets and report on progress achieved against them.
24. One form of reporting is supplier engagement. For instance, central government departments could target and report on stages reached in implementing the sustainable procurement task force’s Flexible Framework, or any successor scheme, as recommended by the Government’s Sustainable Procurement Action Plan. This will involve engagement with suppliers to improve data quality pertaining to embodied finite resources in newly acquired assets.
25. Organisations may also be aware of particular current or non-current assets that have high levels of embedded natural resources, are widely used by the organisation and have a clearly material impact on its footprint in the consumption of a particular resource. Organisations can set targets to reduce the use of these assets even if accounting standards do not yet allow for an exact translation of their use into units of a material finite resource.
26. Public sector bodies may have policies that affect third party use of finite resources. Those organisations following best practice could set targets over third party resource use that is impacted by their policy areas, assess these impacts and report them annually.

EXAMPLE: Public Sector Carbon Account Format

Department/Agency Yellow Carbon Account For the Year ended 31 March 20XX	20XX-XX Tonnes CO₂e	20XX-XX (Prior Year) Tonnes CO₂e
ADMINISTRATIVE EMISSIONS (Related to Admin Expenditure Activity – See Note 1 below)		
SCOPE 1 EMISSIONS		
Fuels combustion (e.g. boilers, furnaces or turbines)	XX	XX
Owned Transport		
Admin vehicles	XX	XX
Process Emissions (e.g. waste processing)	XX	XX
Fugitive Emissions		
Air conditioning	XX	XX
Refrigeration	XX	XX
TOTAL SCOPE 1 GROSS ADMINISTRATIVE EMISSIONS	XXX	XXX
SCOPE 2 EMISSIONS		
Purchased Energy Consumption		
Office Electricity Consumption	XX	XX
Office Gas Consumption	XX	XX
TOTAL SCOPE 2 GROSS ADMINISTRATIVE EMISSIONS	XXX	XXX
SCOPE 3 EMISSIONS ACCOUNTED FOR		
Administrative Travel		
Private Vehicles use for Duty purposes.	XX	XX
Hire Vehicles	XX	XX
Taxis	XX	XX
Bus/Coach	XX	XX
Rail/Underground	XX	XX
Air	XX	XX
Embodied Carbon in Resources Consumed		
Office Water Usage	XX	XX
Non Recycled Waste	XX	XX
Recycled Waste	XX	XX
Aggregates	XX	XX
Cement	XX	XX
Other Administrative Emissions	XX	XX
TOTAL SCOPE 3 GROSS ADMINISTRATIVE EMISSIONS	XXX	XXX
TOTAL GROSS ADMINSTRATIVE EMISSIONS	XXX	XXX
Reducing Factors		
Permitted reduction from purchase of Renewable Energy	(XX)	(XX)
Purchased Offsets for Administrative Air Travel through the GCOF	(XX)	(XX)
NET ADMINISTRATIVE EMISSIONS	(XX)	(XX)
OPERATIONAL EMISSIONS (Related to Programme Expenditure Activity)		
SCOPE 1 EMISSIONS		
Operating a Service		
Fuel Consumption by owned operational vehicles	XX	XX
Process Emissions (e.g. operational waste processing)	XX	XX
TOTAL SCOPE 1 GROSS OPERATIONAL EMISSIONS	XXX	XXX
SCOPE 2 EMISSIONS		
Operational buildings, including outbuildings and compounds.		
Electricity Consumption	XX	XX
Gas Consumption	XX	XX
Op Technology Electricity Consumption (Lighting, CCTVs, etc)	XX	XX
TOTAL SCOPE 2 GROSS OPERATIONAL EMISSIONS	XXX	XXX

UNCLASSIFIED

SCOPE 3 EMISSIONS

Embodied Carbon in Uniformed Service Activities				
Vehicles & equipment – embodied carbon	XX		XX	
Maintenance Activities through contractors		XXX		XXX
Embodied carbon in assets consumed	XX		XX	
Fuel Consumption in maintenance activities	XX		XX	
Maintenance Vehicles & equipment – embodied carbon	XX		XX	
Improving the Managed Assets through contractors				
Resource Consumption				
Electricity Consumption in construction	XX		XX	
Gas Consumption in construction	XX		XX	
Water Usage in construction	XX		XX	
Non Recycled Waste in construction	XX		XX	
Other	(XX)	XXX	(XX)	XXX
Embodied Carbon in Construction Materials used				
Aggregates	XX		XX	
Cements	XX		XX	
Metals	XX		XX	
Plastics	XX		XX	
Timber	(XX)	XXX	(XX)	XXX
Construction-related travel				
Private Vehicles use for Duty purposes.	XX		XX	
Hire Vehicles	XX		XX	
Taxis	XX		XX	
Bus/Coach	XX		XX	
Rail/Underground	(XX)	XXX	(XX)	XXX
Other Operational Emissions		XX		XX
TOTAL SCOPE 3 OPERATIONAL EMISSIONS		XXX		XXX
TOTAL GROSS OPERATIONAL EMISSIONS		XXX		XXX
Reducing Factors				
Permitted reduction from purchase of Renewable Energy	(XX)		(XX)	
Recycled Waste	(XX)		(XX)	
NET OPERATIONAL EMISSIONS		(XX)		(XX)
TOTAL GROSS EMISSIONS	XX		XX	
TOTAL REDUCTIONS	XX		XX	
TOTAL NET EMISSIONS		XXX		XXX

Notes

Classification of administrative and programme emissions to relate to the public expenditure classification (confirms to the HM Treasury definitions as laid down in 'Managing Public Money).

7. EXAMPLES OF REPORT STYLES/APPROACHES

This section provides a number of examples of existing styles of sustainability reporting included within 2011-12 Annual Report and Accounts that maybe useful when preparing your own reports. The styles of report included in here are not designed to be exhaustive.

ANNEX A: Environment Agency 2011-12 Annual Report and Accounts

ANNEX B: Home Office 2011-12 Annual Report and Accounts

ANNEX C: Highways Agency 2011-12 Annual Report and Accounts

ANNEX D: Department of Work and Pensions 2011-12 Annual Report and Accounts

Environment Agency

Appendix C - Sustainability accounting and reporting

In this section we highlight our sustainability performance. We have presented this data in a format consistent with the requirements of HM Treasury's Sustainability Reporting guidance. We have taken an active role in working with HM Treasury and the Financial Reporting Advisory Board to develop public sector sustainability reporting standards and guidance.

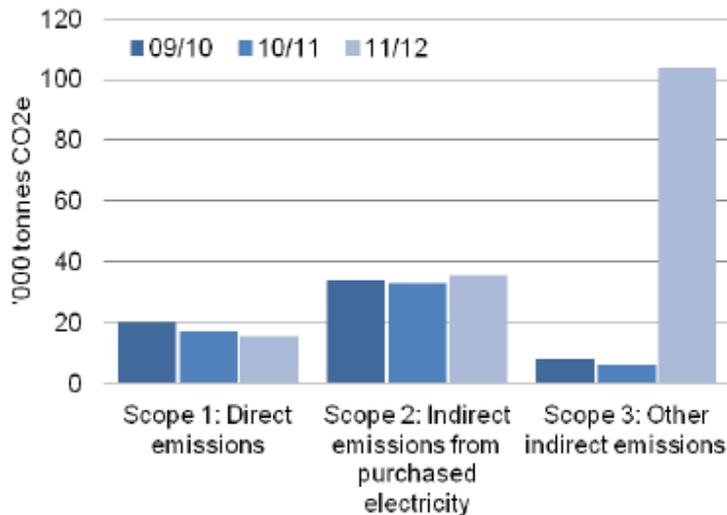
We aim to provide as clear and accurate a picture as possible of our environmental impacts. This appendix presents the detailed information that underpins the reporting of our performance against a number of specific sustainability related targets.

Our sustainability performance

Sustainability KPI	2011-2012 actual	Target performance	Financial indicator
Carbon dioxide (CO ₂) emissions	56,000 tonnes CO ₂	Off target	-
Office waste	552 tonnes	On target	£730,000
Office waste sent to landfill	50 tonnes	On target	£120,000
Mains water consumption	48,000 m ³	On target	£250,000
Buildings energy consumption	32.6 million kWh	On target	-
Total energy expenditure	-	-	£6.5 million
Official business travel (no trains)	36.9 million miles	On target	-
Official business travel (including train)	55 million miles	-	-
Total business travel	-	-	£13.9 million

Greenhouse gas emissions

Figure 3.
Greenhouse gas emissions



Over the last four years we have made good progress in reducing our greenhouse gas emissions (GHG) across all areas. We have an internal target to reduce our GHG emissions by 33 per cent from 2006-2007 levels by March 2015.

This is the first year that we have been able to include fugitive and nitrous emissions within scope 1 and emissions from our construction activities in scope 3. We have included emissions as they have become available to us, so year on year comparisons may appear distorted. We will continue to include emissions from our supply chain as they become available.

Around 60 per cent of our indirect emissions from purchased electricity (scope 2) are from electricity consumed by our flood defence and water management activities.

We have carried out a wide range of projects focusing on both energy efficiency and renewable energy generation. An example is our Facilities Environmental Programme, which consisted of a number of projects focusing on renewable energy, energy efficient lighting, improved insulation via roof cladding, and window replacements across our estate. In total the programme will deliver an annual reduction of 174 tonnes of CO₂ equivalent (tCO₂e), £75,000 in utility costs and 128,000 kWh of electricity generation.

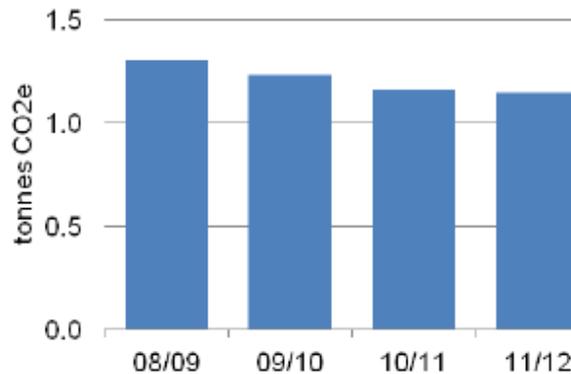
Environment Agency

We are always looking for better ways of working to minimise our impact on the environment. We consider the financial and environmental cost of all our construction projects throughout the life of the project. At Weybridge Moorings in Surrey we reviewed the design of a new footpath. We halved the project's carbon footprint by using cheaper, lower carbon materials. We also constructed 1.7 kilometres of flood defences between Saldon and Ringmore in Devon. Through a project redesign we were able to reduce the total cost of the project by £1.2 million and the carbon footprint by 47 per cent.

Greenhouse gas emissions	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Scope 1:					
Direct emissions	'000 tCO ₂ e	-	20	17	15
Scope 2:					
Indirect emissions from electricity consumption	'000 tCO ₂ e	31	34	33	35
Scope 3:					
Other indirect emissions	'000 tCO ₂ e	8	8	6	104
Total gross emissions	'000 tCO₂e	39	62	56	154
Carbon intensity (per £million Environment Agency expenditure)	'000 tCO ₂ e	-	51	48	140

Energy consumption	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Purchased gas and renewable electricity	million kWh	70	70	70	71
Self-generated renewable energy	£'000	6,600	8,000	5,600	6,500
	million kWh	-	-	-	0.3

Figure 4.
Travel carbon intensity per FTE



This year our staff travelled 55 million business miles, 33 per cent of which was taken by train. By encouraging our staff to use public transport over private vehicles we have reduced our emissions by six per cent on the previous year, despite travelling two per cent further. We use a travel decision hierarchy to encourage our staff to use the most appropriate travel option, and where possible avoid travelling and use telephone or web conferencing.

Business travel	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Total business travel	'000 tCO ₂ e	17	17	14	13
	£'000	15,000	15,100	13,100	13,900
Car and motorbike	'000 tCO ₂ e	15	14	13	11
Rail	'000 tCO ₂ e	2	2	1	2
Air	'000 tCO ₂ e	-	<1	<1	<1
Travel carbon intensity per full-time employee (FTE)	tCO ₂ e	1.3	1.2	1.2	1.1

Environment Agency

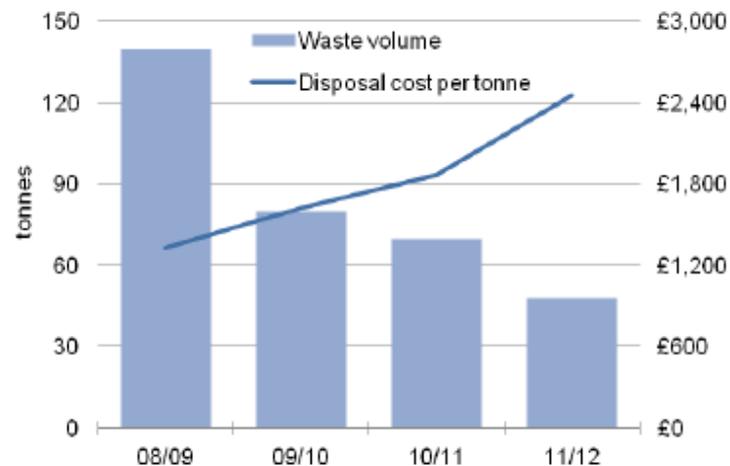
We manage our pension fund investments in a financially robust and environmentally-responsible way. The pension fund is an active member of the United Nations Principles for Responsible Investment, which develops tools and approaches that can be used by all pension funds to manage risks associated with environmental, social and governance issues. Our target for the pension fund is for 25 per cent of the asset value to be invested in clean and green technology by 2015.

To find out more about our pension fund and its commitment to responsible investment, please visit our pension fund website, www.environment-agency.gov.uk/pensions.

Pension fund investment	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Value of pension fund assets	£million	1,128	1,588	1,753	1,855
Investments in clean technology	%	-	13	15	13
Carbon footprint	tCO ₂ e per £million	524	436	425	370

Waste

Figure 5.
Office landfill waste



We produce large amounts of waste every year carrying out our work and running our offices and depots. We work to ensure we manage the associated environmental impacts and costs effectively. We continue to reduce the amount of waste we generate and recycle and reuse materials wherever possible.

We have a target to eliminate office waste going to landfill by 2015. This year we disposed of 50 tonnes of office waste in landfills, down from 140 tonnes in 2008-2009.

Our non-office waste forms around 98 per cent of our overall waste volume. It is largely produced from coastal and river management activities such as construction and dredging. We are working hard with our suppliers and contractors to reduce the volumes of waste generated on construction projects and to reuse materials where possible.

Annual Report and Accounts 2011-2012

The non-office waste volumes reported below currently only include waste derived from our construction projects. However, the costs reflect the full disposal costs of both our construction projects and our operational activities.

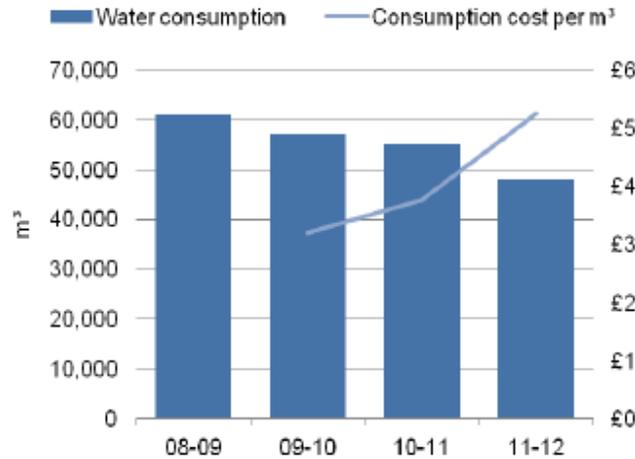
Office waste	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Landfill	tonnes	140	80	70	50
	£'000	190	130	130	120
Reused or recycled	tonnes	710	450	590	410
	£'000	-	350	330	310
Incinerated to produce energy	tonnes	50	60	70	90
	£'000	-	-	-	-
Hazardous waste	tonnes	14	3	5	3
	£'000	-	-	-	20
Total waste	tonnes	914	593	735	553
	£'000	190	480	460	450
Waste intensity per FTE	kg	70	44	61	49

Non-office waste	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Landfill	'000 tonnes	-	40	50	10
	£'000	-	1,160	700	770
Recycled	'000 tonnes	-	30	130	110
	£'000	-	240	310	340
Total waste	'000 tonnes	-	70	180	120
	£'000	-	1,400	1,010	1,110

Environment Agency

Finite resource consumption

Figure 6.
Water consumption and financial cost

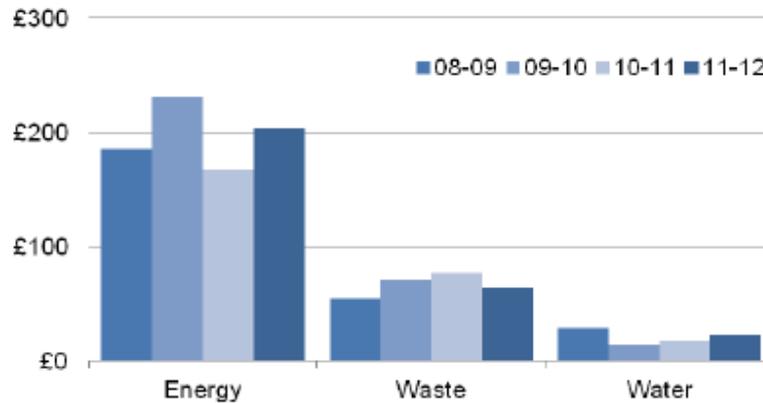


Since 2008, we have reduced our annual water consumption by 21 per cent and our water consumption intensity per FTE. We hope to achieve 'best practice' in the Greening Government Commitment benchmarks in the coming year.

This year we have reported the volume of water we abstract as part of our river management operations. Water abstraction is essential to maintain surface water levels and protect river ecosystems and wildlife. The volume that we abstract depends on weather conditions, as events such as drought are likely to lead to higher extraction rates, increased electricity consumption and therefore increased scope 2 GHG emissions.

Water consumption	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Water supplied	m ³	61,000	57,000	55,000	48,000
	£'000	-	180	210	250
Water abstracted	'000 m ³	-	-	-	78,100
Water intensity per FTE	m ³	4.7	4.2	4.6	4.2

Figure 7.
Annual office utility expenditure per FTE



We work hard to reduce our use of natural resources. By monitoring our spend, we are able to demonstrate that good environmental governance is consistent with robust financial management. Figure 7 illustrates our utility spending per employee over the past four years.

This year we achieved a 20 per cent reduction in paper consumption from the previous year through regular data collection and regional engagement with staff. This resulted in cost savings of around £16,000 and enabled us to exceed our greening government commitment.

All of the timber we use is from sustainable sources. We try wherever possible to use secondary source aggregates and currently 72 per cent of the aggregates we use are from a recycled source.

Environment Agency

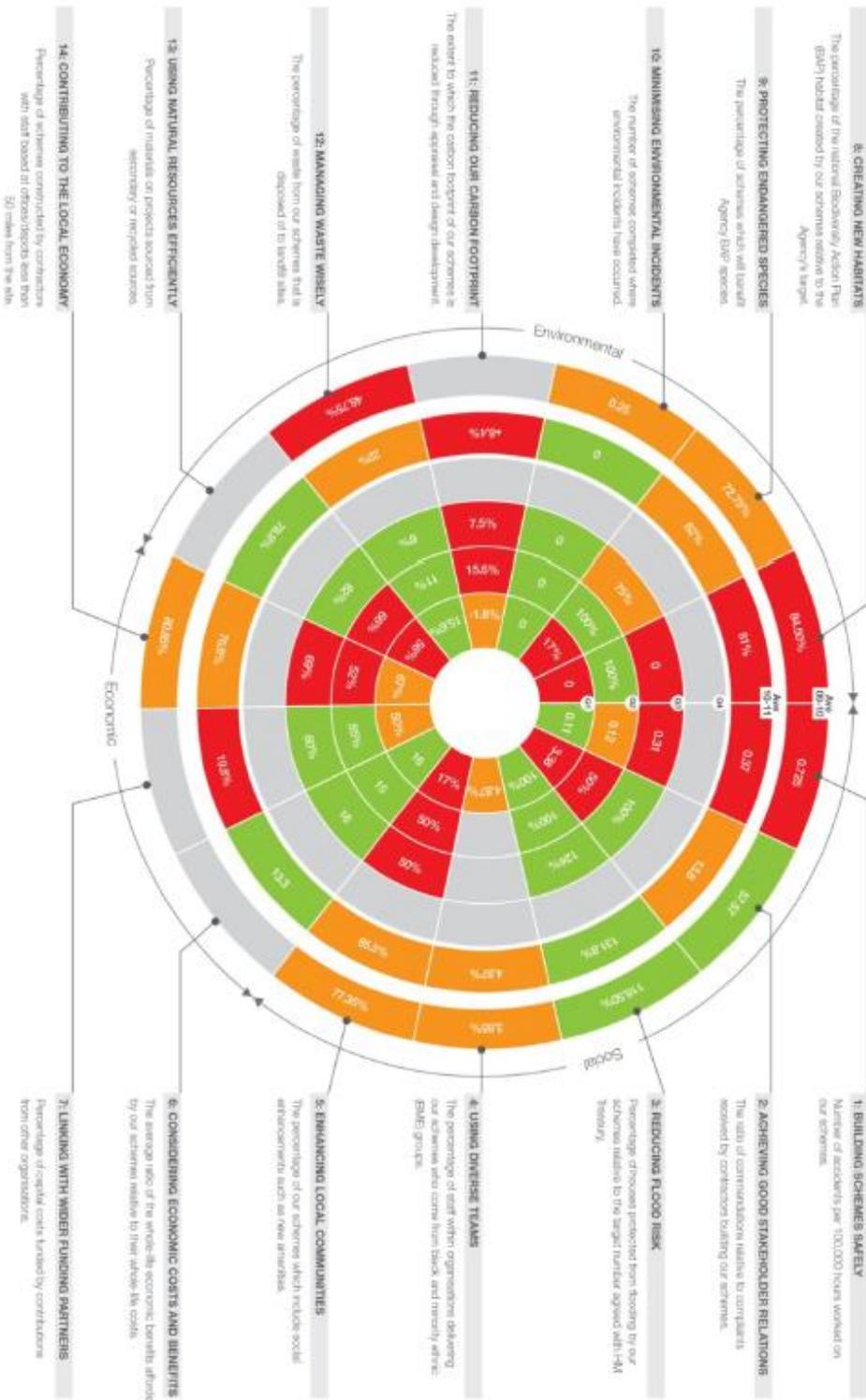
The figures in the table below only cover the timber and aggregates that we use in our flood and coastal erosion risk management construction projects, not materials used by our contractors. We hope to be able to report these in future years.

Resource procurement	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Paper from renewable or recycled source	'000 reams	-	-	67	53
	£'000	-	-	90	60
Timber from a sustainable source	tonnes	-	-	540	720
	£'000	-	-	840	700
Stones and aggregates from a primary source	'000 tonnes	-	-	-	100
	£'000	-	-	-	930
Stones and aggregates from a secondary source	'000 tonnes	-	-	-	250
	£'000	-	-	-	260

Our procurement team has developed a comprehensive sustainability strategy that focuses on our top ten high-risk categories to reduce their impacts. We spend nearly £700 million a year on goods and services, so this represents a significant opportunity for reducing environmental and wider impacts.

We spend a significant amount of money on construction projects, reducing flood risks and managing water resources. Whilst the majority of this is undertaken by third parties working on our behalf, we work closely with them to ensure that they manage any impacts on the environment during the construction phase, and plan the projects so that they enhance the natural environment and where appropriate provide better facilities for local people. We have developed the capital programme sustainability scorecard, shown on the following page, to monitor and report on the key impacts of our construction projects. It includes measures on managing waste, enhancing local communities and reducing greenhouse gas emissions.

2011-2012 FINANCIAL YEAR
NATIONAL CAPITAL PROGRAMME SUSTAINABILITY SCORECARD



Environment Agency

Biodiversity and resilience to climate change

We work to minimise the effects that the activities we regulate, and our own construction work, have on the environment.

We are one of several government bodies responsible for implementing the Habitats Directive in England and Wales. We are required to ensure that none of our activities, or the activities that we regulate, pose an unacceptable risk to specially designated areas. We look for opportunities to work in partnership with other organisations to improve and enhance biodiversity. We have recently had planning permission granted for a joint project with the Wildfowl and Wetland Trust in Somerset to create over 400 hectares of wildlife-rich habitat on the Steart Peninsula, whilst at the same time delivering improved flood protection to local residents and the surrounding infrastructure.

This year we have included the costs and benefits associated with our flood and coastal erosion risk management work. The figures in the table below refer only to our operations in England. For accuracy we have reported the figures for the year in which the projects were completed. This results in a degree of fluctuation due to the scale of the projects.

Biodiversity and flood protection	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Intertidal Biodiversity Action Plan habitats created	hectares	8	43	39	25
	Households	37,150	67,290	77,762	41,575
Households with improved protection from flooding and coastal erosion	Households from 20% most deprived areas	4,208	248	5,913	1,114
	Cost £million	115	278	888	824
	Benefits £million	2,443	2,575	12,247	13,205

Preventing environmental incidents

We continue to promote a positive reporting culture for environmental incidents and near misses. We ensure that we know about instances where the environment could have been harmed as a result of our work. We review incidents at a national and local level and promote the lessons identified throughout the organisation to minimise the likelihood of similar incidents happening again.

This year we did not cause any category 1 incidents as a result of our work. These are classified as incidents that cause major, serious or persistent effects and/or have an extensive impact or effect on the environment, people and/or property.

Environmental incidents	Unit	2008-2009	2009-2010	2010-2011	2011-2012
Category 1	No.	1	0	2	0
Category 2	No.	3	6	2	7
Category 3	No.	50	57	45	63
Near miss	No.	25	47	60	57
Total	No.	79	110	109	127

Incident definitions:

Category 2: significant impact or effect on the environment, people and/or property;
 Category 3: minor or minimal impact or effect on the environment, people and/or property

Workforce diversity

We carry out staff surveys annually to identify and address any perceived barriers within our workforce to people developing and achieving their full potential. We will continue to create an inclusive and diverse workforce and ensure that every employee can contribute to our business and environmental outcomes. The figures below are from our employee self-disclosure surveys.

Workforce diversity	Unit	2008	2009	2010	2011
Race - Black, Asian and minority ethnic groups	%	3.2	3.4	3.4	3.5
Gender - Female	%	40.2	40.9	40.3	40.2

CHAPTER 5 – SUSTAINABILITY REPORTING

Our sustainability aim is to reduce the impact of our business on the environment. Our priority is to reduce our carbon dioxide (CO₂) emissions. Improving sustainability across the Home Office is closely allied to our work on value for money.

The Home Office Carbon Management Plan 2009-2015 (<http://www.homeoffice.gov.uk/about-us/non-personal-data/energy-use/>), sets out our ambitions and how we plan to deliver reductions in CO₂ emissions from building energy use, official travel and by our supply chain. It highlights the systemic changes needed to ensure we meet our departmental objectives within the Greening Government Commitments Operations and Procurement (GGCOPs).

Managing efficient use of IT and accommodation is an important strand of this work. Both are major contributors to our CO₂ emissions. Sustainability is a key driver for our continued work on IT-rightsizing and flexible working, as well as in consolidating our accommodation through the revised Home Office estates strategy and converging our IT arrangements.

We also request our suppliers demonstrate a similar commitment, through the incorporation of sustainable practices into their provision of goods and services. We work closely with suppliers, and measure their sustainability and corporate social responsibility through the 'CAESER' (<https://ngc.com/>) online self-assessment tool.

This year the Home Office:

- implemented a programme of measures to reduce CO₂ emissions from our key 29 sites as part of the Prime Minister's pledge to cut energy use by 10% across central government in twelve months – we exceeded this target
- introduced a "payment by results" system as an incentive for one of our FM suppliers to deliver energy savings
- was one of the first departments to display real-time energy use on-line for our HQ buildings, and also made this information available to visitors in our 2 Marsham Street reception
- competed against other Whitehall departmental HQ buildings to see who could cut energy use the most in October relative to September 2010. We were placed third with an 8.9 per cent drop in energy use
- supported Earth Hour and Climate Week and encouraged staff to do so as well
- joined the Carbon Disclosure Project alongside several HO suppliers; also self-disclosed our emissions using Carbon List <http://thecarbonlist.com/> to account publicly for our performance
- achieved the Chartered Institute of Purchasing and Supply Silver Certification for strategic procurement capability and, with Her Majesty's Revenue & Customs, won this year's Civil Service sustainability award for the 'CAESER' project

The Home Office Sustainable Development Team is responsible for promoting and co-ordinating sustainable development activities across the Home Office group and for reporting our performance.

The Home Office Sustainability Implementation Group is a committee responsible for monitoring our progress against cross government and internal sustainability targets. It reports at regular intervals to the Home Office Estates and Sustainability Board which is chaired by the Director General Financial and Commercial.

Reporting

We have been reporting sustainability in the department's Annual Report for many years. However, this is the first time we have reported publicly in accordance with HM Treasury Public Sector Annual Reports: Sustainability Reporting Guidance for the 2010-11 dry run (http://www.hm-treasury.gov.uk/frem_index.htm). Our reporting focuses on the environmental challenges that most affect our estate, official travel and supply chain.

CHAPTER 7 – SUSTAINABILITY REPORT**Introduction**

Our aim is to reduce the environmental impact of our estate and travel related activities, by:

- complying with legal, regulatory and other requirements
- managing CO₂e emissions from our building energy use and official travel
- managing water use and waste responsibly on our estate
- purchasing goods and services that meet government standards, and
- actively encouraging our suppliers and staff to support us

Improving our performance in these areas is closely linked to our efforts to achieve greater efficiency and value for money across shared corporate services. Sustainability informs our decision making.

We plan to deliver the Greening Government Commitments (GGC). They require us to significantly reduce our impact on the environment by 2015 (compared to a 2009-10 baseline) and to be more transparent (<http://sd.defra.gov.uk/gov/green-government/>). We also participate in the CRC Energy Efficiency Scheme.

Our Highlights

We continue to make good overall progress in delivering our sustainability commitments. A summary of our performance is shown below.

In 2011-12 we:

- reduced our CO₂e emissions from our buildings by 22% against the revised and expanded 2009-10 baseline, a reduction of over 14,000 tonnes of CO₂e emissions
- reduced the number of domestic flights, water used, waste generated and paper purchased against baselines
- further developed our payment by results mechanism as an incentive for two of our suppliers to deliver enhanced energy savings. This has directly resulted in savings this year of over £497,000
- improved the efficiency of IT use (for example device rationalisation, server virtualisation and reducing the ratio of printers to users)
- delivered several projects and activities to promote our actions and develop skills. For example we participated in Climate Week and Earth Hour, delivered an e-learning package for staff on sustainability and climate change, developed our on line energy-use portal <http://www.ecodriver.uk.com/homeoffice/> and held a suppliers' workshop on climate change

Performance – Summarised

Area	Metric	2009-10	2010-11	2011-12
Total greenhouse gas emissions (GHG)	Amount (tonnes CO ₂ e)	87,547	80,660	75,051
Net GHG (GHG less accredited carbon offsets)	Amount (tonnes CO ₂ e)	83,411	78,541	71,829
Building energy	Amount (tonnes CO ₂ e)	66,452	61,206	53,924
	Amount (GWh)	156.8	142.1	125.8
	Expenditure (£ million)	11.696	11.669	10.844
Travel	Amount (tonnes CO ₂ e)	21,094	19,453	21,127
	Amount km (million)	119.9	120.1	126.5
	Expenditure (£ million) (excludes GCOF)	20.937	17.987	20.101
Domestic flights	Amount (number)	10,390	8,935	6,068
Water	Amount (m ³)	346,604	287,586	274,544
	Expenditure (£'000)	583	451	459
Office waste	Amount (tonnes)	5,243	4,584	4,429
	Expenditure (£'000)	648	531	499
	Total recycled (tonnes)	3,999	3,274	2,937
A3 and A4 copier paper	Amount (reams)	398,001	376,832	287,220

Governance Arrangements

The Parliamentary Under Secretary for Equalities and Criminal Information has responsibility for sustainability. Leadership is provided by the Sustainable Development Team who report to the Sustainability Implementation Group (chaired by the Director of Shared Services and comprising key Home Office bodies and business units) which meets quarterly. It ensures that necessary action is taken to meet GGC and reports to the Estates and Sustainability Board (chaired by Director General Financial and Corporate Services Group, who is also a member of the Home Office Supervisory Board and Executive Management Board).

Sustainability Reporting within the Home Office

This is our second sustainability report. This year all our agencies and arms length bodies have been consolidated into this report except the Office of the Immigration Services Commissioner which is not required to report. We have restated the figures from last year's Sustainability Report to take account of this wider reporting scope and data improvements.

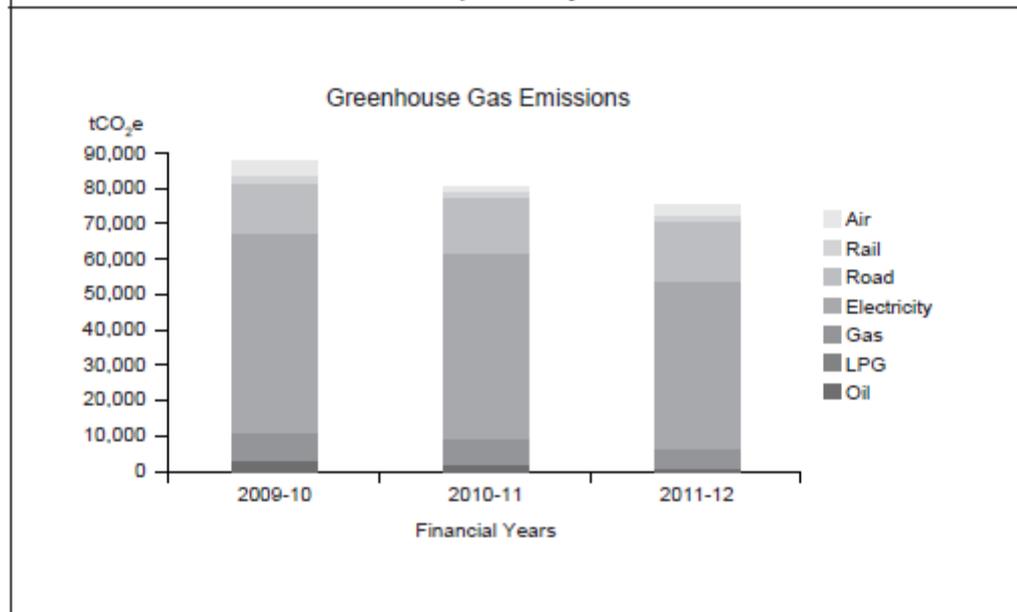
More detailed Home Office performance information, when it is available, will be linked from or provided at: <http://www.homeoffice.gov.uk/about-us/sustainable-development/>

There are limitations to the accuracy of our financial and non-financial sustainability data and we continue to both limit and improve estimations and improve the quality of our internal controls and validation.

Detailed Performance and Analysis by Year

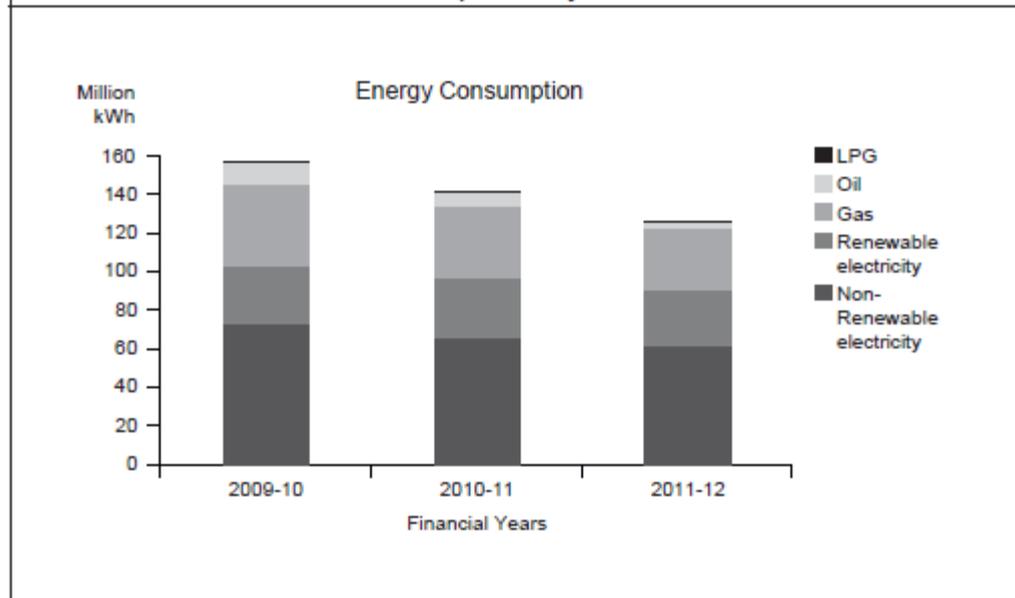
Greenhouse gas emissions		2009-10	2010-11	2011-12
t CO ₂ e	Gross emissions for scopes 1 & 2	78,336	73,150	67,120
	Gross emissions scope 3 business travel	9,120	7,509	7,931
	Total reported greenhouse gas emissions	87,547	80,659	75,051
	Net emissions (Total less accredited carbon offsets for non-operational business air travel)	83,411	78,541	71,829
£k	Energy Expenditure	11,696	11,669	10,844
	CRC Registration and License Expenditure	2	3	3
	Expenditure on accredited carbon offsets	57	26	23
	Expenditure on official business travel	20,994	18,009	20,123
	Total expenditure	32,749	29,707	30,993

Graphical Analysis



Managing energy use from buildings		2009-10	2010-11	2011-12
Energy Consumption GWh	Electricity: Non-Renewable	71.565	64.904	59.808
	Electricity: Renewable	29.711	30.944	29.852
	Gas	43.102	38.119	33.218
	LPG	0.297	0.221	0.327
	Other (Oil)	12.103	7.943	2.584
	Total	156.778	142.131	125.789
Total Energy Expenditure £ million		11.696	11.669	10.844

Graphical Analysis



Commentary

The Greening Government Commitments (GGC) require us to reduce greenhouse gas emissions from a 2009-2010 baseline by 25% by 2015. We are on track to achieve this.

Total greenhouse gas emissions have fallen by almost 7% against the previous year (5,609 tonnes of CO₂e) and over 14% (12,496 tonnes of CO₂e) against the 2009/10 baseline.

Actual CO₂e emissions from our buildings have fallen against the 2009-10 baseline by almost 19%. This is due to investment in energy saving infrastructure (such as more efficient lighting, variable speed drives and boiler controls), a payment by results mechanism as an incentive for two of our suppliers and tighter management of heating, cooling and lighting. Relocating to more efficient office space, estate consolidations and building closures have also contributed to our reduced emissions. This built upon the programme to deliver the Prime Minister's pledge to cut energy use by 10% across central government in 12 months. By May 2011 we had exceeded this target, achieving a 17.6% energy reduction from 29 key sites. We are applying best practice as identified in the Government Green ICT Workbook. We have published a set of Green principles for ICT covering printing and power guidance.

The number of domestic flights has fallen by over 41% against the baseline. The distanced travelled has increased by 5.5% and CO₂e emissions have risen by less than 2% rationalising our vehicle fleet, introducing measures to restrict travel and offering alternative ways of working (such as ICT solutions for communications and meetings).

Controllable Impacts

Our main impacts are from electricity use in buildings and from road travel. Our property portfolio is varied: it includes a large PFI Head Office, UKBA Reporting Centres, Police Training centres, Passport Offices, Warehouses and dog kennels. Our vehicle fleet comprises around 1,400 vehicles. Road travel includes our own fleet (administrative and operational), hire cars, taxis and staff travel in their own vehicles where this is reimbursed. We endeavour to meet the construction standards required by GGC. We have provided a design support service to the Police for new build projects.

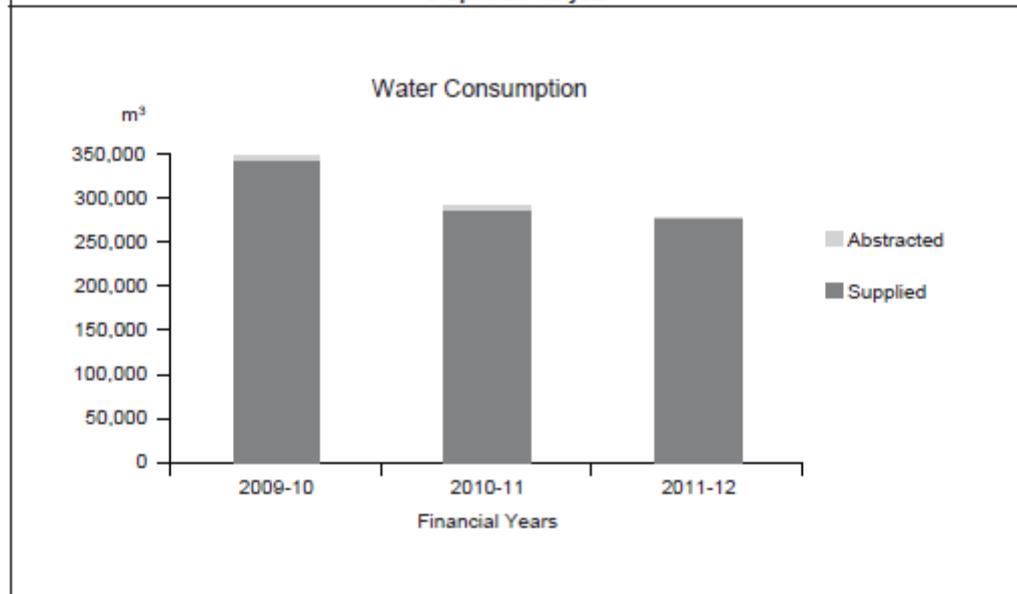
Influenced Impacts

We have directed our suppliers to improve our performance through good procurement choices and specifications, for example information, communication and technology rationalisation and payment by results with our facilities management suppliers and that of our customers (e.g. Police Forces). We are also working with our key suppliers, through the "CAESER" online self-assessment tool to identify their own CO₂e emissions and consider actions to reduce these. We actively encourage staff to consider their own impacts. We promote good energy practice to our visitors in 2 Marsham Street <http://www.ecodriver.uk.com/homeoffice/>) and by displaying Display Energy Certificates. We share best practice with other government departments and Police Forces.

We have produced an action plan setting out how we plan for climate change: <http://archive.defra.gov.uk/environment/climate/documents/dept-adapt-plans/dap-home-off-110512.pdf>.

Managing water		2009-10	2010-11	2011-12
Water Consumption 1000 m ³	Supplied	343	283	272
	Abstracted	4	5	2
	Total Water	347	288	274
Invoiced Water Supply Costs £'000		583	451	459

Graphical Analysis



Commentary

The Greening Government Commitments (GGC) also require us to reduce water consumption from a 2009-10 baseline. Reported water use from our buildings fell against the 2009-10 baseline by over 20%.

Controllable Impacts

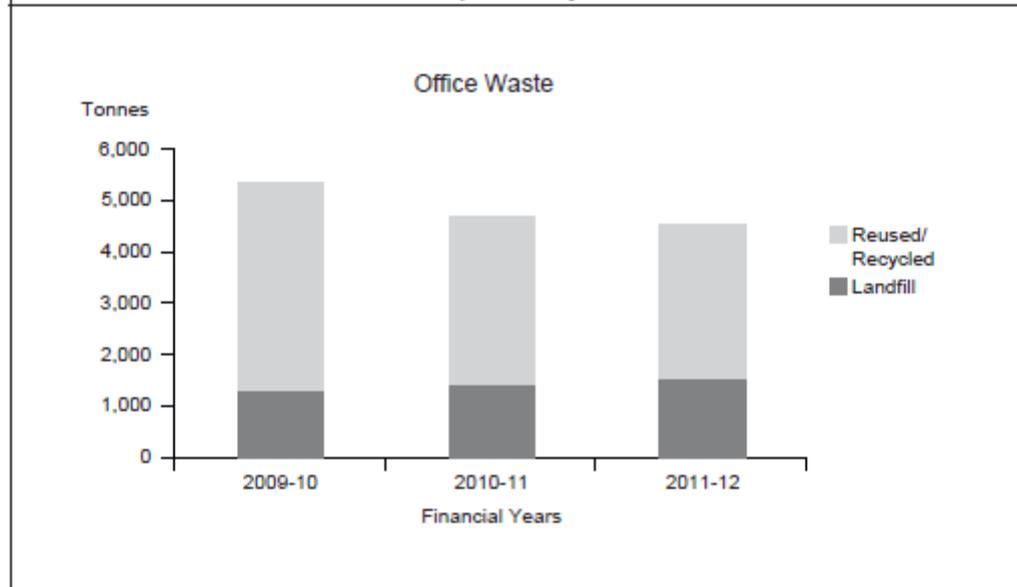
The main impacts are from water use for showers, washrooms, drinking, restaurant facilities or similar, and heating and ventilation systems.

Influenced Impacts

Through good procurement choices and specifications our suppliers have been directed to improve our performance. We work with suppliers using "CAESER" to identify their own impacts and consider actions to reduce these. We actively encourage staff to consider their own impacts.

Managing office waste		2009-10	2010-11	2011-12	
Tonnes	Non hazardous waste	Reused/Recycled/Recovered	3,999	3,274	2,937
		Landfill	1,244	1,310	1,492
	Total waste		5,243	4,584	4,429
£'000	Reused/Recycled/Recovered		549	427	380
	Landfill		100	105	119
	Total disposal cost		649	532	499

Graphical Analysis



Commentary

The Greening Government Commitments (GGC) require us to reduce the amount of waste generated by 25% from a 2009-10 baseline. We are on track to achieve this. So far reported office waste has fallen by over 15% against this baseline. We have cut paper use in 2011-12 and exceeded the 10% target and we ensure that redundant ICT equipment is re-used or responsibly recycled. We are reviewing the requirement to buy 100% recycled paper and implementation of a closed loop paper system.

Controllable Impacts

Office waste streams include shredded and un-shredded paper, dry mixed recyclables, food waste and packaging. Work continues with our three facilities management suppliers to increase the types of waste that can be recycled.

Suppliers are required to use an online tool in order to record data on waste generated from construction projects with the aim of halving the amount sent to landfill.

Influenced Impacts

The Home Office uses the "CAESER" online self-assessment tool as well as active dialogue with all large and key suppliers. Electrical and ICT waste is treated in accordance with the Waste Electrical and Electronic Regulations (WEEE Regulations) by the Home Office facilities management and ICT providers. We also actively encourage staff to consider their own impact.

Our Queen's Warehouses provide secure facilities for receiving, storing and disposing of seized goods including tobacco, alcohol, oil, vehicles and counterfeit goods. Many tonnes of goods are seized each year and measures taken to reduce the environmental impact of their disposal include:

- packaging materials all recycled
- tobacco products shredded on site and used to generate electricity for the National Grid
- alcohol put through anaerobic digestion to extract methane which is then used for electricity production
- hydrocarbon oils (which are often contaminated) used to power cement furnaces, and
- vehicles are either sold or scrapped locally, with proceeds returned to HM Treasury

Innovative trials are underway for disposing of counterfeit goods; for example instead of sending items such as trainers and boots to landfill, they have been shredded and used to surface racehorse training areas. Other goods are being disposed of through other government agencies, sale or charity; ensuring items are put to good use or monies raised.

Managing other impacts

Procurement of Food and catering services – all Home Office catering suppliers have outlined their performance: <http://www.homeoffice.gov.uk/publications/about-us/transparency/food-procurement/>

Biodiversity is not material for the Home Office estate and we do not currently undertake data collection on this aspect of sustainability.

Terms

CO₂e _ Carbon dioxide equivalent- the greenhouse gas global warming potential expressed as a standard unit

Scope 1 – Direct Greenhouse Gas Emissions are from sources owned or controlled by the organisation. For this report this is emissions resulting from gas for heating and fuel used in our vehicles

Scope 2 – Energy Indirect Emissions are from the usage of purchased electricity

Scope 3 – Other Indirect Emissions are a consequence of our actions but occur at sources which are not owned or controlled directly by us and are not classed as scope 2 emissions. In this report these are only from business travel using public transport, taxis and commercial airlines

Targets

From 1 April 2011 new targets (GGCOPs) require us to reduce the amount of waste we generate by 25% from a 2009-10 baseline. We will also need to:

- cut our paper use by 10% in 2011-12
- ensure that redundant ICT equipment is re-used (within government, the public sector or wider society) or responsibly recycled

Influenced Impacts

Our suppliers' waste management is being reviewed in 2011-12 through CAESER our supply-chain on-line assessment tool.

Notes:

1 *Scope 1 – Direct Greenhouse Gas Emissions are from sources owned or controlled by the organisation. For this report these emissions are from our gas and oil use, and from our motor vehicles. We have not been able to report fugitive emissions from our air-conditioning systems. We report emissions from all our fleet vehicles regardless of staff location. For fleet vehicles, conversion factors are based on medium sized diesel engine. Scope 2 – Energy Indirect Emissions are from the usage of purchased electricity. Conversion to CO₂ is based on Defra conversion factors (Oct 2010). For electricity this is the five year rolling average.*

We only report energy use in buildings where we are directly billed and responsible for the payment. One of our energy suppliers is reviewing their invoices costs, which may consequently change. We have reported on 67 sites for electricity, 44 for gas and six for oil (six and four more than last year respectively and two less for oil).

2 *Scope 3 – Other Indirect Emissions are a consequence of our actions, but occur at sources which are not owned or controlled directly by us and are not classed as Scope 2 emissions. In this report these are only from business travel using public transport, private cars, taxis and commercial airlines. Travel data includes travel by all our staff regardless of location. For hire cars conversion factors to CO₂ are based on medium sized diesel engine and for private cars conversion factors are based on average size engine and fuel unknown. For air travel conversion to CO₂ is based on the Buying Solution GCOFII conversion factors used to buy credits.*

3 *Government Carbon Offsetting Facility (GCOF) is only for a nine month period, not the entire financial year.*

4 *Influenced impacts that are beyond our immediate control for example emissions relating to indirectly procured goods or services.*

5 *We only report energy use in buildings where we are directly billed and responsible for the payment. We have reported on 67 sites for electricity, 43 for gas and six for oil (six and three more than last year respectively and two less for oil). Five buildings closed during the financial year.*

6 *We only report water use in buildings where we are directly billed and responsible for the payment. We have reported on 40 sites, seven more than last year. One building closed. Water consumption is based on invoiced amounts and may be estimated and subject to adjustments in subsequent periods.*

7 *We only report our waste in buildings where we receive data from a waste management company. We have reported on 85 sites, four more than last year. Five buildings closed. The waste data we have is estimated based on commercial averages.*

Notes

No separate data was available in time for this report from Her Majesty's Inspectorate of Constabulary nor the Equality and Human Rights Commission. Some of their reportable impacts are included within the scope of other departmental properties or services.

For energy and water this report only includes locations where we pay for utilities directly. We do not include costs or data where we receive the service as part of a landlord service charge (except for one site). We only

UNCLASSIFIED

SECTION 5: Sustainability Report

Section 5: Sustainability report



*Sustainability Framework Workshop,
Birmingham, March 2011*

Note: Figures for 2010-11 are as reported in last year's annual report. The 2010-11 figures for business travel exclude project and operations related travel and the water consumption figures exclude consumption at our Birmingham, Manchester and London offices. 2011-12 figures are for the whole of the Highways Agency activity and estate.

Introduction

Whilst our key role is to support the sustainability of the UK's economy by operating, maintaining and improving the strategic road network in England, we recognise that we also need to develop and implement more sustainable ways of doing this.

We champion the need to be more transparent about both our impacts and the work we are doing to mitigate them where they have an adverse effect on the environment. We have had a published Business Plan measure related to our carbon emissions for the last three years and will be continuing to monitor our impact in 2012-13. We also monitor and report on progress against the Cabinet Office's cross-government Greening Government Commitments.

We have published a Sustainable Development Plan on our website each year since 2007. So far these have delivered 105 actions across the Agency's business, contributing to the embedment of sustainability as a part of our corporate culture. We have also made progress in improving our understanding of the impacts of our work and brought a greater focus on the need to minimise social and environmental harm. Our new Sustainable Development Plan takes a longer view, aligning with the corporate planning

cycle over the period 2012 to 2015, with the overarching aim of mainstreaming sustainable development in the Agency and its supply chain. In particular:

- Strengthening our contribution to a sustainable transport system.
- Supporting national economic recovery.
- Meeting the diverse needs of all our customers.
- Promoting national wellbeing.
- Continuing to develop our sustainable approach.

We support the delivery of the DfT Carbon Reduction Strategy for Transport and its Climate Change Adaptation Plan which contributes to the achievement of the DfT's strategic objectives to deliver economic, social and environmental benefits.

Summary of performance

In 2011-12 we have made strong progress in delivering our sustainability commitments. We have monitored progress against our Business Plan measures and reduced our greenhouse gas emissions. We are also on track to contribute to the requirement of the Greening Government Commitments to reduce greenhouse gas emissions across Government by 25 per cent by 2014-15, but it should be noted that road safety considerations in relation to lighting the strategic road network must take precedence over greenhouse gas reduction.

An overview of our sustainability performance is set out in the table opposite. Details of our sustainability performance are set out in the tables on pages 40 and 41.

Sustainability Performance Overview	Performance 2011-12	Performance 2010-11
Greenhouse gas emissions (tCO ₂ e)	115,004	127,310
Business travel emissions (tCO ₂ e)	1,202	1,440
Business Travel (£m)	£3.136	£2.520
Whole estate waste (tonne)	252	287
Office water Consumption (m ³)	18,468	13,900



Case Study: Public Sector Sustainability Awards

The Agency was awarded runner up in the **Best Green Office Environment** category of the **2011 Public Sector Sustainability Awards**. There were over 100 entries in our category which came from across the public sector.

The judging criteria were:

- a) Communications
- b) Cost effectiveness
- c) Partnerships
- d) Innovation and product selection/diversity
- e) Carbon reduction (how and by how much we reduced our carbon footprint)

We are being recognised for our commitment to reducing our carbon emissions and the impact we have on the environment. We have improved processes and introduced new initiatives such as:

- Installing Sabien Gas technology that optimises the efficiency of each boiler.
- Reducing the number of printers by 50 per cent across the estate.
- Improved internal communications, 'Climate Week' initiatives, local 'Green Days' and the 'Green Pledges'.

Governance

We monitor our sustainability performance as an integral part of our monthly performance management reporting regime. The Highways Agency Board receives monthly reports on performance in this area both in terms of Business Plan measures, such as carbon emissions, and performance against the Greening Government Commitments laid down by the Cabinet Office for all central government organisations. Internal Audit regularly reviews internal sustainability reporting, focussing on validating data that supports external reports as part of the Carbon Reduction Committee Energy Efficiency Scheme and reporting performance against our Business Plan measures.

Greenhouse gas emissions

Over the year we have continued to implement measures to reduce our greenhouse gas emissions from our office estate, business travel and from the strategic road network. We have achieved a further 9.7 per cent reduction in greenhouse gas emissions in 2011-12. A significant proportion of this reduction is due to a change to the Defra emission factor for electricity, however a substantial reduction in energy consumption has been achieved



Lights switched off on the network

through a range of energy saving interventions including:

- Switching off lighting on the network at a further three sites.
- Replacing lighting and roadside equipment with more energy efficient equipment at the end of the existing equipment's useful life.
- Further reducing energy consumption in our offices. The Highways Agency used 16 per cent less energy on its estate compared with 2010-11. Savings have been achieved by relocating to more energy efficient premises and by reducing the area of floor space we heat and light at less busy times, eg during the Christmas holidays.



New fuel efficient vehicles

- Reducing emissions from our Traffic Office Service through improved deployment strategies which maintain operational performance whilst reducing mileage. We are also implementing a phased programme of replacing old vehicles with more fuel efficient vehicles of the same type.

We continue to improve the data we collect to help us understand and reduce our carbon footprint. In 2011-12 we worked with our major maintenance and construction suppliers to improve the way we work together to manage their greenhouse



SECTION 5: Sustainability Report

Case Study: A46 Newark to Widmerpool zero waste to landfill

The upgrade of a 17.5 mile stretch of the A46 was designed as a model of good practice for long term environmental sustainability. The project benefited from an integrated approach to sustainability, documented in a sustainability action plan. This contributed to a reduced use of finite materials, lower transport costs, lower carbon emissions and waste, specifically:

- Avoidance of 1,143 tCO₂e of greenhouse gas emissions through reuse of excavated topsoil.
- Use of 115,920 m³ of site collected water.
- 100 per cent locally sourced aggregate, 27 per cent recycled aggregate.
- Recycling of construction and temporary road materials.
- Zero construction waste to landfill.

Hindhead under construction. The tunnel portals may not have changed much, but the brightly coloured sandstone gives a clue to how much material has been excavated. The excavated material was used as infill for the old A3 removed from the Devil's Punchbowl

gas emissions. In 2011-12 our managing agents have exceeded their target of a three per cent reduction in greenhouse gas emissions from their maintenance vehicles compared to 2010-11.

Switching off road lighting

To support the Government's wider agenda on reducing carbon emissions we have, since 2009, been switching lights off or in some cases removing lighting on motorways at locations with good safety records. So far we have switched off motorway lighting, between midnight and 5am, at 14 sites across England. We have also undertaken four successful full switch-off schemes - on the M58, M65, M66 and the M1. Evidence suggests that the Agency's process for selecting sites for switching off lights is appropriate as early results indicate that there has been no adverse impact on safety at the sites where lighting has been switched off.

On 27 March 2012 lighting was permanently switched off on the M4 between Junctions 20 and 22 as well as on the M48 at Aust (Junction 1). Almondsbury Interchange and the approaches will remain lit, as will the Toll Plaza at M48 Severn Bridge.



Construction waste

We are improving the quality of data that the Agency collects on waste generated at its maintenance and construction sites. For the first time we are able to report the total volume of waste removed from our major project sites to landfill which in 2011-12 was 3,190 tonnes, of a total waste volume of over 350,000 tonnes. See the table on page 41 for more details.

Office waste

In 2011-12 we have reduced the volume of waste arising from our offices by 10 per cent when compared to 2010-11. 67 per cent of our office waste was sent for recycling compared to 63 per cent in the previous year. We will seek to improve the management of office waste by collecting data about the treatment of our non-recycled office waste. We will use this information to minimise the volume of office waste sent to landfill.

Litter removed from the network

We remove nearly 250,000 sacks of litter from our network every year, which costs money – approximately £40 per sack, or £10 million in total – and puts the safety of our road workers at risk.

Roadside litter is not only unsightly, but is also a threat to the environment and wildlife, blocking drains and causing flooding. Clearing litter diverts much-needed resources away from road maintenance and repairs, while items thrown from moving vehicles can be a hazard to other road users.





Case Study: Environmental benefits delivered from A3 Hindhead scheme

Devil's Punchbowl Hindhead: Local schoolchildren re-seed the old A3

Hindhead Common; a beneficial impact on the Surrey Hills Area of Outstanding Natural Beauty; with no direct impact on the Devil's Punch Bowl SSSI/SPA

This section of the A3 passes through an environmentally sensitive area in terms of biodiversity, heritage and landscape. It lies within the Surrey Hills Area of Outstanding Natural Beauty, passes around and through the Devil's Punch Bowl Site of Special Scientific Interest (SSSI) also part of the Wealden Heaths Special Protection Area (SPA), with much of the area owned by the National Trust. Complying with Government Policy on minimising the



The tarmac has been removed
impact of transport schemes on environmentally sensitive areas, the objectives of the A3 Hindhead Scheme were to provide a beneficial impact on air quality and noise for local residents and



View north from above the new the tunnel
while re-uniting the commons by closing the old A3 in this area and reinstating it to heathland. The closure of the old A3 also provided substantial gains for the historic landscape of Hindhead Common.

Contents



Aerial view of the old A3 skirting the Devil's Punchbowl - now restored to heathland. The new tunnel runs under the hill at the top of the image



SECTION 5: Sustainability Report



Worker picking litter

A roadside message campaign last summer, which reminded drivers to dispose of their litter responsibly, saw a decrease in the amounts of litter collected on motorways in the North West and East Midlands. During the month that we ran the campaign we collected about three thousand fewer sacks of litter than we did during the previous year, saving approximately £120,000.

Water

Water scarcity is a serious issue across many parts of the country. It is vital that we fully understand how water is used in the delivery of our services and that we take action to carefully manage our water consumption, being mindful of the impact on local catchments.

In 2011-12 we reduced water consumption in our offices by seven per cent, and we will seek ways to further improve our management of water and so further reduce our water consumption.

The Agency has started to monitor water consumption at construction and maintenance sites and in partnership with industry partners has produced a guide on reducing water consumption in construction. We are working to further improve the accuracy

Stream running under the new road



of reporting water consumption at construction sites to establish a baseline against which we can measure progress.

We are keen to encourage our supply chain to reduce water consumption yet further; water saving measures include rainwater harvesting and recycling of water used in washing vehicles at our depots and those operated by our suppliers.

Biodiversity

Preparation for a new Biodiversity Action Plan (BAP) is in hand, while we continue to work to meet the aspirations of wider Government policies for the protection and enhancement of the natural environment.



Environmental worker surveying pond wildlife

We continue to manage Sites of Special Scientific Interest (SSSIs) wholly within the roadside estate at "favourable condition" status, and where we only manage a part of a SSSI, we are working with others to achieve "favourable condition" status.

We will play our part in helping to achieve the Government's recently published Natural Environment White Paper ambition to create "coherent and resilient ecological networks".

Contents



Noise from the network

We recognise the impact that excessive road traffic noise levels has upon those living close to roads. In the past year, we have built on the progress made on minimising this impact through continuing to install low noise surfacing materials whenever major maintenance is due.

We have also investigated locations which Defra have identified as those most severely affected by road traffic noise, 'First Priority Locations'. Feasible noise mitigation measures to address the excessive traffic noise levels in these



Noise barrier

'First Priority Locations' have been identified. We will be consulting with local authorities on the results of our investigations during 2012, with a view to installing the noise mitigation identified in 2013 and beyond, subject to funding availability.

The stored mounds of sandstone on the right of the picture have been saved from the tunnel excavations and will be used to help return the old A3 around the Devil's Punchbowl to nature.

Adaption to climate change

In 2011 we published our climate change risk assessment and approach to climate change adaptation which provides a comprehensive analysis of climate risks affecting the strategic road network. It sets out a clear approach for a programme that covers all aspects of the asset, including the design and construction of new and replacement parts of the network, the maintenance and management of the existing road network, and the daily traffic management functions that allow road users to experience safe, reliable and informed journeys.

Maintaining our approach to adaptation will benefit the overall performance of the strategic road network over time, while achieving best value for road users. It marks an important step, setting out the actions that will inform the way our work is prioritised, planned and delivered, while reinforcing the need to increase resilience to climate change. This will support our goals of delivering sustainable solutions and a network which is dynamic and resilient.



Sustainable procurement

To maximise the opportunities which the procurement process offers in relation to sustainability, and in line with the priorities set out in our 2009 Procurement Strategy, we:

- continue to apply sustainability measures at the pre-qualification stage of the procurement cycle via the Strategic Alignment Review Tool (START).
- draw up and place contracts that include requirements to deliver sustainable working operations that use resources effectively (reducing waste and maximising recycling/reuse), reduce energy, water consumption and carbon emissions, and that implement diversity, equal opportunities and skills/apprenticeship policies. This approach is being reinforced through the incorporation of Government Buying Standards.
- monitor sustainability performance, post-contract award, by means of Sustainability Action Plans agreed between suppliers and the Agency.



SECTION 5: Sustainability Report

2011-12 Highways Agency Sustainability Report					
	GREENHOUSE GAS (GHG) EMISSIONS	2009-10	2010-11	2011-12	Graphical Analysis
Gross Emissions (tonne CO2e)	Scope 1: Direct traffic officer fuel and estates gas usage	7,000	7,110	5,971	Greenhouse Gas Emissions 2011-12
	Scope 2: Indirect emissions from network and estates electricity consumption	124,000	119,000	107,891	
	Scope 3 item: Business Travel	1,500	1,200	1,202	
	Scope 3 items: Suppliers' emissions	561,236	507,000	411,124	
	Total	693,876	634,310	526,188	
Related Consumption Data	Estates (HA Offices) Electricity (kWh)	2,616,372	3,543,898	3,459,849	Business Travel GHG emissions by mode
	kWh per full time employee	1,383	1,774	1,714	
	Estates (HA Offices) Gas (kWh)	1,646,612	1,512,680	1,572,247	
	kWh per full time employee	1,193	1,421	1,202	
	Private car mileage (million road miles)	1.680	1.250	1.226	
	Hire car mileage (million road miles)	1.750	1.250	1.402	
Financial Indicators	Total energy expenditure (roadside lighting and equipment, offices, RCCs and outstations)	N/A	£20,300,000	£22,121,000	
	CRC related expenditure (admin fee and provision for allowances)	-	£2,240	£1,009,290	
	Expenditure on business travel	£4,150,000	£2,520,000	£3,126,000	
PERFORMANCE COMMENTARY INCLUDING MEASURES					
<p>Performance commentary In 2011-12 the Agency achieved an overall 9% reduction in its greenhouse gas emissions from direct energy and fuel use, network energy and business travel compared to emissions in 2010-11. Overall our gross emissions have reduced by 13% since 2009-10, the greening government commitment baseline year.</p> <p>Commentary on emission factors Scope 1 direct emissions from the consumption of fuel in Traffic officer vehicles have reduced by 10% compared to 2010-11. About 3% of this reduction is due to a change to the Delta emissions factor. Scope 1 direct emissions from the consumption of gas in our offices has reduced by 14 per cent compared to 2010-11, the reduction had been achieved by a number of measures to improve the efficiency of gas heating systems. 2011-12 figures above are for the whole office and control centre estate, but outstations and depots are excluded. 2010-11 figures exclude consumption at our Manchester office. Scope 2 indirect emissions from the consumption of electricity in our offices and regional control centres has reduced by 11 per cent. A significant proportion of this reduction is due to a change to the Delta conversion factor. 2011-12 figures above are for the whole office and control centre estate, consumption in outstations and depots is included in network energy. Electricity consumption for our London office has been estimated using the average per capita emissions across the rest of the Highways Agency estate as incomplete data is available. 2009-10 consumption figures exclude our offices in Bristol, London and Manchester. Scope 2 indirect emissions from the consumption of electricity in lighting, communication, signs and signals on the strategic road network and in our outstations and depots has reduced by 9%. A significant proportion of this reduction is due to a change to the Delta conversion factor. Scope 3 indirect emissions from business travel have decreased compared to 2009-10 mainly due to increased use of video and tele conference facilities. Note: figures for 2010-11 stated in last year's Annual Report were for business travel relating to administrative activity.</p>					
CONTROLLABLE IMPACTS COMMENTARY					
<p>Performance commentary Scope 3 emissions from our supply chain Reported emissions from managing agents and D&F&O companies have reduced by 6 per cent in 2011-12 compared with 2010-11. A specific target for managing agents to reduce the greenhouse gas emissions from their maintenance and incident support vehicles by 3 per cent has been exceeded. The quality of data received continues to improve. Work to further improve the way the data is managed and used within the Highways Agency was initiated in 2011-12, better management of data will enable the Agency and its supply chain to work together to achieve further reductions in future years. Emissions from construction sites have fallen by 33 per cent compared to 2010-11. The level of emissions from construction sites is in direct relation to the amount of construction work happening on the network in any year. Increased construction activity in 2009-10 and in 2010-11 meant there was much higher emissions in those years.</p>					
OVERVIEW OF INFLUENCED IMPACTS					
<p>Performance commentary Vehicle emissions represent the greatest source of greenhouse gas emissions from the strategic road network. Although road user travel emissions are outside the Highways Agency greenhouse gas footprint accounting boundary, the Agency has an important role to play to help to make road user journeys as carbon efficient as possible. For example, good information can help road users to avoid fruitless journeys and needless detours, use of variable speed limits can help to reduce road user emissions by minimising the time spent in queues. The Highways Agency also seeks to minimise the greenhouse gas emissions of its employees commuting to and from our workplaces. Flexible working, car parking policy, car share schemes, etc all contribute to a reduction in commuters' emissions.</p>					

Contents



WASTE	2008-09	2009-10	2010-11	Graphical Analysis
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SECTION 6: Being more sustainable

Section 6: Being more Sustainable - *continued*



sustainable development performance post-award by means of Sustainability Action Plans agreed between suppliers and the Agency. One procurement strategy priority is the participation of our key suppliers in the Carbon Disclosure Project for their corporate operations, and more than 70% of our suppliers have signed up to this so far.

Governance

We monitor our sustainability performance as part of our monthly performance management regime. Data is collected from internal estates, network managers and from our supply chain. Internal Audit undertake reviews of internal performance reporting information, and will also be focussing on energy data validation in support of our CRC Energy Efficiency Scheme reporting.

Sustainable Procurement

The Agency's 2009 Procurement Strategy set out priorities for us and our supply chain partners on sustainable consumption and production, climate change, natural resources and sustainable communities.

We have taken practical steps with our suppliers to raise their awareness and ensure appropriate actions. Sustainability measures are now included in the pre-qualification stage of the procurement cycle via the Strategic Alignment Review Tool (StART). Contracts include requirements to monitor

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Sustainable use of waste materials from local sources in construction



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Sustainability Report: SECTION 5

WASTE		2009-10	2010-11	2011-12	Graphical Analysis
Non - Financial Indicators	Total Admin waste (tonnes)	189	287	252	
	Recycled waste (tonnes)	124	155	168	
	Kg per FTE	95	184	100	

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ANNEX D
DEPARTMENT OF WORK AND PENSIONS

Department for Work and Pensions

Annual Report and Accounts 2011-12

Summary of protected personal data related incidents formally reported to the information commissioner's office in 2011-12

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
Sept 2011	Loss of paper documents from outside secured Government premises.	Name, address, National Insurance numbers, bank account details.	150	Individuals notified by post.

The Department will continue to monitor and assess its information risks, in the light of the events noted above, in order to identify and address any weaknesses and ensure continuous improvement of its systems.

Summary of other protected personal data related incidents in 2011-12

Incidents deemed by the Data Controller not to fall within the criteria for report to the Information Commissioner's Office but recorded centrally within the Department are set out in the table below. Small, localised incidents are not recorded centrally and are not cited in these figures.

Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	1
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises	1
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0
IV	Unauthorised disclosure	2
V	Other	0

Sustainable Development

This section provides a brief overview of the Department's progress against the Government's two sustainable development priorities:

- delivering Greening Government Commitments to reduce greenhouse gas emissions, waste, paper use and water consumption; and
- mainstreaming sustainable development by making it central to the way the Department makes policy, runs its estate and purchases goods and services.

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The following table compares 2011-12 performance with the Government's Greening Government Commitments made against 2009-10 baselines. Positive progress has been made this year, but the Department needs to maintain and build on this performance through to 2015. The target to cut paper use by 10 per cent in 2011-12 was exceeded and water consumption was reduced by 12 per cent against a 2009-10 baseline.

Summary of performance against Greening Government Commitments				
	2009-10 baseline	2011-12 performance	2011-12 % reduction against baseline	2015 Target
Reduce greenhouse gas emissions by 25% from a 2009-10 baseline from the whole estate and business-related transport				
Estates emissions	180,716	142,040	21%	135,537
Travel and related emissions	24,415	14,756	40%	18,311
Total greenhouse gas emissions	205,131	156,796	24%	153,848
Reduce the amount of waste we generate by 25% from a 2009-10 baseline				
Total volume of waste generated (tonnes)	16,626	13,844	17%	12,470
Volume of waste recycled (tonnes)	10,522	8,413	20%	N/A
Cut paper use by 10% in 2011-12 from a 2009-10 baseline				
A4 (Reams)	2,017,470	1,318,755	35%	N/A
A3 (Reams)	7,340	3,900	47%	N/A
Reduce water consumption from a 2009-10 baseline				
Total water consumption (m ³)	810,701	714,440	12%	N/A
Report on Water Use Performance against best practice benchmarks (usage per FTE)				
Buildings	2009-10 baseline	2011-12 performance		
Best Practice (<4m ³ /FTE)	107	53	N/A	N/A
Good Practice (4-6m ³ /FTE)	500	493	N/A	N/A
Poor Practice (>6M ³ /FTE)	155	212	N/A	N/A

Further detail, including costs, Greenhouse Gas Emissions, Waste and Use of Finite Resources is included at Annex 4. Supplementary information is available in the Sustainability & Climate Change section of the Department's website¹.

¹ <http://www.dwp.gov.uk/about-dwp/sustainable-development/>

The Department has focused its sustainable development activities in 2011-12 on mainstreaming sustainability building it into the way the Department makes policy and throughout its project management functions, where it had already featured within formal project reviews.

The overall sustainability of several projects has been rated against a number of economic, social and environmental criteria; and the expected direct and indirect greenhouse gas impacts are calculated and expressed in cash equivalents to weigh up against the economic and social costs and benefits. This evaluation is revisited through the lifespan of the project whenever there are significant changes in scope. Possible mitigations of any negative impacts are identified at each stage, and acted on wherever appropriate.

Several projects, including Universal Credit, Simple Money Transmission Services, the Department's Transformation programme, Tell Us Once and E-signing have, as a result, registered projected greenhouse gas emission savings in their business cases and/or benefit realisation plans.

Towards the end of the financial year, an additional sustainability check has been added. In recognition of the fact that projects often commence with pre-approved aims, the Department now also assesses policies for sustainability at the pre-feasibility stage, before they are launched as projects or programmes.

Rural Proofing

To support rural areas and ensure the Department's policies are sufficiently flexible to deliver quality services that meet everyday needs of local people who live in those areas, the Department is moving from a one size fits all approach towards a flexible model for delivering labour market services. This will ensure that the needs and interests of rural people, communities and their businesses are properly considered in the development and implementation of local employment policies and programmes. Work Programme providers are also free to design support based on individual and local need, which will be especially beneficial for the rural unemployed.

For older people, the Department is delivering pensions, benefits and associated advice through its visiting Service. The Department is making extensive use of partnership arrangements, including those specific to rural communities, to support a wide range of innovative, local initiatives, such as working with older volunteer intermediaries, to identify need and promote the use of services. The Department underwrites the concessionary transport scheme that benefits all pensioners and older people are also assisted by Winter Fuel Payments and Cold Weather Payments. The Department is working in partnership with the Age Action Alliance and the UK Advisory Forum on Ageing to tackle issues that older people face.

Better Regulation

The Department is committed to the Government's strategy to reduce regulatory burdens on business and civil society:

- removing or simplifying existing regulation that unnecessarily impede growth;
- reducing the overall volume of new regulation by introducing regulation only as a last resort;
- improving the quality of any remaining new regulation; and

Annex 4: Sustainable Development

Reporting performance against sustainability targets and related expenditure increases transparency and accountability. This Annex contains a more detailed breakdown of the summary included within the main body of the report. An extended version of the Department's sustainability performance is available on the [Sustainability and Climate Change](#) section of the Department's website.

Successful collaborative initiatives with key suppliers has resulted in the Department reducing emissions from electricity by 32,059 tonnes CO₂e, reducing waste by 2,782 tonnes, and water consumption by 96,261m³. In April 2011, the Department achieved Carbon Trust Standard re-certification – the largest public sector organisation to achieve this award and shares this accolade alongside organisations such as Lloyds, Asda and M&S.

Summary of performance

Greenhouse Gas Emissions Performance

The majority of the Department's emissions result from running its buildings and travel. Initiatives such as the introduction of multi-functional printing devices and exploiting video and telephone conferencing have reduced emissions considerably. Details of these and other schemes are outlined in the Department's [Carbon Management Plan](#).

The Department intends to maintain its current positive sustainability performance – for example, by implementing the Carbon Trust's energy reduction recommendations, engaging staff to encourage positive environmental impacts and investing in more efficient IT. Estates rationalisation seeks to retain the most energy efficient buildings and working with Telereal Trillium, the Department aims to improve the energy efficiency of the remaining buildings by replacing inefficient heating boilers during scheduled maintenance works and replacing, or retrofitting, energy efficient lighting and switching.

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Greenhouse Gas Emissions		2009-10 ¹	2010-11 ²	2011-12
Non-Financial Indicators (tCO ₂ e)	Scope 1 Emissions			
	Gas	43,712	40,831	36,298
	Oil	2,128	2,019	1,455
	Fugitive Emissions	124	1,594	1,594 ³
	Private User Scheme vehicles	5,362	5,184	4,463 ⁴
	Official vehicles	1,470	1,189	1,105 ⁵
	Total Scope 1	52,796	50,817	44,915
	Scope 2 Emissions			
	Electricity: Brown	69,532	93,933	77,020
	Electricity: Green	28,028	12,126	10,269
	Electricity: CHP	37,192	18,189	15,404
	Total Scope 2	134,752	124,248	102,693
	Scope 3 Emissions			
	Grey fleet	8,621	6,644	5,364
	Car hire	2,320	1,615	1,712 ⁶
	Taxis	139	72	33
	Air	2,131	928	341
	Rail	4,233	2,966	1,649
	Tube/Tram	49	34	37
	Coach/Bus	90	12	52
Total Scope 3	17,583	12,271	9,188	
TOTAL EMISSIONS	205,131	187,336	156,796	
Related Energy Consumption (KWh)	Scope 1			
	Gas	237,618,924	220,431,616	197,702,890
	Oil	7,695,495	7,593,888	5,222,910
	Scope 2			
	Electricity: Brown	127,773,947	172,284,577	146,811,315
	Electricity: Green	51,505,778	22,240,665	19,574,842
Electricity: CHP	68,344,204	33,360,998	29,362,263	
TOTAL ENERGY	492,938,348	455,911,744	398,674,220	
Financial Indicators (£)	Scope 1 and 2			
	Gas	5,848,002	6,298,006	6,811,466
	Oil	368,834	464,920	331,186
	Electricity: Brown	10,910,563	16,018,396	16,092,126
	Electricity: Green	4,398,056	2,135,786	2,145,617
Electricity: CHP	5,835,882	3,203,679	3,218,425	
Carbon Related Expenditure (£)	Carbon Reduction Commitment	N/A	N/A	1,856,000 ⁷
	Government Carbon Off-setting Fund (GCOF)	32,085	7,067	Not yet available

¹ 2009-10 is the baseline year for the Greening Government Commitments. Adjustments have been made to the figures to exclude sites that transferred from the Department as a result of Machinery of Government Changes, and to the calculation methodology. Further information is available at www.dwp.gov.uk/about-dwp/sustainable-development.

² 2010-11 data has been restated to take account of year end reconciliation, and to match the revised baseline. For more detail see www.dwp.gov.uk/about-dwp/sustainable-development.

³ Data is not available for fugitive emissions for 11-12, so 2010-11 data used.

⁴ Estimated mileage data used for March 2012. For more detail see www.dwp.gov.uk/about-dwp/sustainable-development.

⁵ Estimated mileage data used for March 2012. For more detail see www.dwp.gov.uk/about-dwp/sustainable-development.

⁶ Estimated mileage data used for March 2012. For more detail see www.dwp.gov.uk/about-dwp/sustainable-development.

⁷ Carbon Reduction Commitment – this is the figure estimated for payment, which will not be confirmed until July 2012.

Waste Performance

The Department's Swap Shop works hand-in-hand with the Estates Rationalisation Programme promoting the re-use of surplus office equipment. This and the continued practice of only printing when necessary, supported by multi-functional printing devices that by default print duplex in black and white, continues to deliver a reduction, 10 per cent this year, in total waste produced.

Waste		2009-10	2010-11 ¹	2011-12 ²
Non-Financial Indicators (tonnes)	Total Waste	16,626 ³	15,445	13,844
	Waste to landfill	6,104	5,629	5,431
	Waste recycled/reused	10,522	9,816	8,413

Use of finite resources Performance

The Department has reduced its water consumption this year by a further 5 per cent – an average performance of 8m³/FTE. Staff engagement, supported by a network of office Environment Champions, aims to continue reducing water consumption by promoting sensible measures to preserve water and Telereal Trillium continues to assess where dual-flush systems can be installed to replace old large-capacity toilet cisterns.

Water consumption (scope 2)		2009-10 ⁴	2010-11 ⁵	2011-12
Non-Financial Indicators (m ³)	Water consumption	810,701	751,676	714,440
Financial Indicators (£)	Water supply	1,185,033	1,174,194	1,170,185
	Sewerage	2,578,008	2,387,971	2,345,766
	Total Water Costs	3,763,041	3,562,165	3,515,951

Other Greening Government ActivitiesBiodiversity and Natural Environment plans

The Department is not required to have a biodiversity action plan, the majority of sites being city centre or street front buildings. Despite this, work has been undertaken with the estates partners to enhance biodiversity on a small number of sites with potential to do so.

¹ Restated to take account of year end reconciliation, and to match the revised baseline. For more detail see www.dwp.gov.uk/about-dwp/sustainable-development

² Figures include reported data to Feb 2012. Estimated data for March 2012 has been used for March 2012 – for details see www.dwp.gov.uk/about-dwp/sustainable-development

³ Restated to reflect change in scope of baseline – for details see www.dwp.gov.uk/about-dwp/sustainable-development

⁴ Baseline year restated to take account of Machinery of Government changes - for details see www.dwp.gov.uk/about-dwp/sustainable-development

⁵ Restated to reflect change in scope of baseline – for details see www.dwp.gov.uk/about-dwp/sustainable-development

The ET is supplemented by a working-level delivery group, facilitated by the Department's Sustainability and Climate Change (SCC) team, focusing on communications, implementing initiatives and behaviour change.

The SCC team provides support to both groups and have responsibility for corporate issues and engagement across the Department for the whole sustainability spectrum. This includes provision of a quarterly scorecard, broken down to departmental business unit level.

The scorecard is used to inform decision-making and encourage proactivity. Energy related data is obtained from our estates partner's energy management bureau and is based on smart-meter data and energy bills from readings. Data accuracy is assured by a combination of the Department's internal verification and intermittent external audit. Travel data is produced by the Department's vehicle suppliers and through interrogation of internal financial systems. Work is ongoing with suppliers to continually improve the data systems, and compliance with reporting requirements within the Department.