



# Conversion Factors for Greenhouse Gas Company Reporting: Statement of Voluntary Compliance with the Code of Practice for Statistics

The Code of Practice for Statistics sets standards for organisations in producing and publishing official statistics and ensures that statistics serve the public good.

The code is formed around 3 main pillars:

- **Trustworthiness** – confidence in the people and organisations that publish statistics.
- **Quality** – using data and methods that produce assured statistics.
- **Value** – statistics that support society's needs for information.

The [Conversion Factors for Greenhouse Gas Company Reporting](#) are published annually by the Greenhouse Gas Inventory (GHGI) team in BEIS. This resource is used by organisations to calculate their greenhouse gas emissions from activity data, and therefore comply with the Streamlined Energy and Carbon Reporting (SECR) requirements and other environmental reporting regulations. While the conversion factors are not statistics in themselves but a tool for environmental reporting, voluntary compliance with the Code of Practice for Statistics ensures the factors are high quality, useful for environmental reporting, and can be used with confidence. This statement describes how the existing practices for their production and release meet many of the principles of these three pillars. In addition, the Code of Practice for Statistics will be used to guide future improvements and updates to the conversion factors.

## Trustworthiness

- **Honesty and integrity:** all those involved in the production of the conversion factors are committed to working transparently, openly and with integrity. The factors are produced by global sustainability consultants Ricardo Energy & Environment (REE) contracted to the Department for Business, Energy and Industrial Strategy. The GHGI team follow the Civil Service Code and REE employees follow the Ricardo Values to maintain honesty and impartiality. Neither the GHGI team nor REE are responsible for the policy context of the conversion factors, only the technical aspects, allowing the statistics and supporting documents to be presented impartially and objectively.
- **Independent decision making and leadership:** REE produce the conversion factors as an annual project output while the GHGI team manages an annual improvement programme, determining which improvements to implement and bringing together the relevant expertise to ensure complete and thorough advice through a steering group and peer review process. REE are accountable to the GHGI team who are in turn accountable to BEIS' Director of Science and Innovation for Climate and Energy and BEIS' Head of Profession for Statistics.
- **Orderly release:** the statistics are released once a year with a methodology paper and major changes report following within four weeks. Currently there is not a set release date published in advance, however the conversion factors are regularly published in around the first week of June. Revisions are clearly advertised on the gov.uk webpage, and users can sign up for notifications of updates to the conversion factor webpages.
- **Transparent processes and management:** The peer review process provides regular opportunities for external feedback on prioritising improvements and transparent engagement with stakeholders. For the duration of this year's improvement programme, we additionally ran a stakeholder questionnaire providing a further channel through



which users could provide feedback. The supporting methodology paper provides transparency on the quality of data sources and methodology used while the annual improvement programme, which includes the peer review, provides the mechanism to ensure consistent high quality.

- **Professional Capacity:** REE has a team of analysts who have been producing the conversion factors since they were initiated, accruing over a decade of experience and expertise. The GHGI team contains members of the Government Statistical Service and Government Science and Engineering Profession providing analytical expertise.
- **Data governance:** All involved persons have received information security training through Civil Service Learning or as outlined in the REE Information Security Policy. The Conversion Factors are based on the UK Greenhouse Gas Inventory which takes steps to ensure anonymisation of the commercially sensitive data, which carries over to the conversion factors publication; the relevant [privacy policy](#) is published on the National Atmospheric Emissions Inventory website along with the UK Inventory.

## Quality

- **Suitable data sources:** The conversion factors are based primarily on the National Atmospheric Emissions Inventory (NAEI) which is compiled according to the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines. Each year the inventory is updated to include the latest data available. The inventory is subject to annual review by the National Inventory Steering Committee, managed by BEIS, and is subject to further scrutiny via annual expert reviews conducted by the EU and United Nations Framework Convention on Climate Change (UNFCCC). The inventory has recently been recognised as "...a robust and accurate inventory when compared internationally" by the National Physical Laboratory<sup>1</sup>.
- **Sound methods:** A steering group meets every November to discuss technical improvements to the methodology for the conversion factors, how to improve the accuracy of the models and ensure a rigorous quality assurance/quality control process. This steering group consists of experts from multiple government departments, REE and the Waste and Resources Action Programme. Methodological changes are made to take account of new data sources, new guidance from IPCC, and new research. Supporting documents are published annually that outline the methodology used in producing the factors with links to source data and transparent outlining of assumptions, and describe any major changes compared to the previous year's publication.
- **Assured quality:** REE follow appropriate quality assurance protocols outlined in the [BEIS Quality Assurance Guidance](#), including subjecting improvements and updates to internal quality assurance checks, a peer review process and overview by a steering group. The NAEI, on which the factors are primarily based, is produced following quality assurance protocols as outlined in the [National Inventory Report](#).

## Value

- **Relevance to users:** The conversion factors are produced as a free resource for private organisations and public sector bodies to use when reporting on their greenhouse gas emissions. The conversion factors help reduce the burden on organisations in reporting under Streamlined Energy and Carbon Reporting (SECR) and other environmental reporting requirements and facilitate comparability between organisations by providing a standard tool that can be used with obtainable activity data. Formal user consultations are occasionally undertaken, and users are regularly engaged informally through an

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<sup>1</sup> **National Physical Laboratory (2017)** Understanding the UK Greenhouse Gas Inventory (NPL). Report commissioned by the Committee on Climate Change. <https://www.theccc.org.uk/publication/understanding-the-uk-greenhouse-gas-inventory-npl/>



advertised email address and indirectly by responding to needs, such as SECR, identified from consultations with policy teams.

- **Accessibility:** The conversion factors and supporting documents are freely available on the gov.uk webpage with no restrictions on who can access them. Where referred to, external supplementary statistics that are not free are clearly advertised as having a paywall. We endeavour to ensure the conversion factors meet accessibility standards, complying with both current and planned future regulations.
- **Clarity and insight:** The conversion factors resources contain clear explanations of their purpose, user guidance and methodology with specialist terms defined regularly in layman terms. There are clear links to the [Environmental Reporting Guidelines](#) which contain further guidance on how to use the factors for environmental reporting. There is a lead official listed in the published statistics along with contact details for the GHGI team. We provide commentary on the changes in individual factors in the major changes report, though do not provide commentary on long term trends or comparisons between factors as this is not necessary for the purpose of enabling organisations to report their emissions.
- **Innovation and improvement:** The annual improvement programme and engagement with stakeholders allows the Conversion Factors to be kept up to date and as valuable to users as possible. The steering group meet twice a year to discuss the improvements engaging multiple stakeholders to maximise expertise and innovation. Previous innovative improvements include the addition of a flat file to allow automatic processing.
- **Efficiency and proportionality:** The Conversion Factors are based on the UK Greenhouse Gas Inventory, allowing for the reuse of data supplied for those statistics. Considering the lack of equivalent statistics and the legal obligations of companies for environmental reporting, the GHGI team feel it is justified to request new data where needed.