



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

Carbon Reduction Plan Template

Supplier name: Spire Healthcare Limited

Publication date: 10th August 2023

All Information is extracted from Annual Report and accounts 2022. The report contains comprehensive information regarding our approach to Net Zero and recycling.

Commitment to achieving Net Zero

Spire Healthcare Limited is committed to achieving Net Zero emissions by 31 December 2030 (Scope 1 and 2).

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019

Additional Details relating to the Baseline Emissions calculations.

Table of emissions from Annual Report 2022

Emissions source	2018	2019	2020	2021	2022	Share %	YoY % change
Fuel combustion: stationary	12,917	12,098	11,590	12,539	10,943	40%	-13%
Fuel combustion: mobile	1,145	1,209	1,447	1,325	1,346	5%	2%
Fugitive emissions	6,936	5,895	5,018	5,139	4,703	17%	-8%
Purchased electricity	17,151	15,193	13,330	9,802	9,837	36%	<1%
Air travel					40	<1%	
Rail travel					40	<1%	
Hotel					75	<1%	
Waste					106	<1%	
Total emissions (tCO₂e)	38,148	34,395	31,384	28,805	27,091	100%	-6%
Revenue £m	931.1	980.8	919.9	1,106.2	1,198.5		8%
Intensity: (tCO₂e per £m)	41.0	35.1	34.1	26.0	22.6		-13%

Baseline year emissions:

EMISSIONS

TOTAL (tCO₂e)

Scope 1	Refer to the above table
Scope 2	Refer to the above table
Scope 3 (Included Sources)	Not measured
Total Emissions	34,394

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	Refer to the above table
Scope 2	Refer to the above table
Scope 3 (Included Sources)	Not measured
Total Emissions	27,091

Emissions reduction targets

Details of our reduction targets as published in our 2022 Annual Report are as follows:

The roadmap to carbon net zero

Actions/progress	Targets	Carbon Emissions (tCO ₂ e)
Finalise roll-out and use carbon offsets for other emissions	Complete heat pump projects and carbon offset	2030 Carbon Net Zero
Rolling programme of updates to heat and DHW systems	Heat pump rollout	2029
↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑	↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑ ↑	2028
		2027
		2026
	Energy Efficiency + enabling works	2025
All replacement and refurbishment work to consider displacement of gas	↑ ↑ ↑ ↑	2024
Longer payback projects such as chiller heat recovery		2023 27,750
LED lighting, controls, insulation, high efficiency replacement of end-of-life equipment	Energy Efficiency Projects — best paybacks first	2022 28,163
Procurement of 100% renewable electricity	Sustainability planning — Investment and end of life projects	2021 30,422
Update of our carbon and environmental policy and energy awareness campaign, develop appropriate delivery and governance arrangements.		2019 34,730

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Our 10-year carbon reduction target

Our work continues to reduce the harmful impact on our planet of climate change through a robust decarbonisation strategy and delivery programme that is designed to achieve net zero carbon emissions by 31 December 2030. We were the first large independent sector hospital provider to make such a commitment, along with a dedicated investment of £16.0 million to help achieve this aim by 2030.

Our strategy continues to prioritise a targeted approach to reduction from the greatest carbon emission sources for example, installing LED lighting throughout all our buildings, removal of old inefficient gas-powered primary steam boilers and piped nitrous oxide across the estate, optimising the use of our buildings, fixed plant and equipment to ensure we maximise both energy and operational efficiencies.

We continue to engage, empower and support our appointed carbon champions at each of our hospitals who play a key role in meeting our net zero objective by promoting, coordinating and delivering carbon management improvement at a local level. Through implementation of their audits and action plans, further efficiencies are realised which collectively across the group support our carbon reduction targets and strategy together with operational savings objectives.

Measuring our performance

We use the intensity metric of carbon emissions per £ revenue, which increases in proportion to the growth in our business. Our values are based on providing excellence in clinical quality and innovation to our patients. As a consequence of continuing to meet these values, we will continue to grow, treat more patients, provide more treatments and offer the latest technology.

While the business continues to see positive revenue growth, our intensity figures from 2018 to date have reduced year-on-year (cumulatively 45% since 2018, see roadmap on page 45) which demonstrates that we continue to become a less carbon reliant company as we grow.

Our carbon reduction roadmap

We have mapped out our carbon reduction plans to net zero in 2030, using 2019 as our reference base year. The projected timeline has changed this year from that originally set in 2020 to reflect the unanticipated reversion to brown electricity tariff between April 2022 and October 2024 as a consequence of our energy supplier renegeing upon its commitment to supply renewable electricity. The overall reduction target remains unchanged and we continue to reduce our carbon emissions in line with target. The reduction to date has been achieved through:

- Monitoring and targeting utility benchmarking reports which are issued monthly to our sites
- Reviewing half hourly energy consumption data and heat maps for each of our hospitals to identify energy efficiency and cost saving opportunities
- Targeted and informed investment in low carbon infrastructure and heat recovery, including LED lighting and solar PV technology across the estate
- End of life replacement of fixed engineering and building services, plant and equipment with the most efficient technology available

Looking at our progress against our original plan, excluding electrical emissions we are 8% ahead of target which is a great achievement by all involved and provides confidence in our plan.

Energy monitoring

Business utility and sustainability consultancy Inenco produce quarterly performance reports that chart our results against our carbon reduction targets. We also separately monitor our hospitals on a monthly basis, and issue energy reports detailing their utilities consumption and benchmark them against similar-sized hospitals within the group. The reports include dashboards at site and group level detailing year-on-year performance. Our regional engineering team audits and monitors our hospitals' carbon reduction action plans as part of our annual compliance auditing programme.

Capital investment in low carbon infrastructure

We continue to invest in our estate and engineering infrastructure to improve our energy efficiencies. Key projects this year included:

- Replacing gas-powered primary steam boilers with more efficient electrically powered equipment at Spire Cardiff, Clare Park in Farnham, Little Aston in Sutton Coldfield and Edinburgh Murrayfield
- Introducing high efficiency heating, cooling and ventilation – through the upgrade of critical ventilation systems at Cambridge, replacement of chiller plant at Spire Wellesley in Southend and Spire Cambridge incorporating heat recovery systems and optimised BMS systems at Spire Leeds and Cheshire
- Continuing to replace the remaining older lighting across the estate with LED fittings that are 50% to 60% more energy efficient
- Planning and design is in the advanced stages for installing roof and ground-mounted photo-voltaic (PV) solar panels at Spire Wirral that will generate up to 12% of the hospital's electricity

- Installation of EV charging points to two-thirds of our hospitals with the remainder planned for 2023
- Improving insulation in our buildings at Liverpool Penny Lane and Wirral hospital as part of planned roof replacement works
- Removal of R22 refrigerant gases from old air conditioning systems
- Pipework and ducting insulation upgrades and replacement of old inefficient single glazed windows requested via carbon champions at Spire Hull, Little Aston, Bristol, Leicester

Alongside these investments, all of our carbon champions continue to receive training and guidance to help them produce local action plans and identify opportunities for operational improvements and efficiencies. Their action plans are reviewed twice yearly to monitor and track progress.

Legislation

Since becoming a publicly listed company in 2014, Spire Healthcare has discharged its responsibilities under the government's CRC Energy Efficiency Scheme, and we will continue to report on our energy consumption in line with the requirements of the upcoming Streamlined Energy and Carbon Reporting legislation.

Spire Healthcare was invited to participate in the CDP (formerly Carbon Disclosure Project) again in 2022. We made our eighth annual submission to the CDP and received a 'B' grading, improving on previous 'C' rating for 2021 placing Spire Healthcare well above the market sector average of 'D', and demonstrating our knowledge and understanding of our impact on climate change issues.

In the future we hope to implement further measures such as:

Looking ahead

In the year ahead we will continue to prioritise our approach to carbon reduction and energy saving to effect the required target emission savings concentrating on those projects that will offer the greatest reduction opportunity including but not limited to the following:

- Continuing LED replacements
- Optimisation of building management systems (BMS)
- Replacement of the remaining gas-powered primary steam boilers in the estate at Spire Claremont in Sheffield
- Removal of the remaining piped nitrous oxide across the estate
- Further PV installations and thermal upgrades as part of roofing replacements
- Completion of the EV charging point roll out across the estate

Declaration and Sign Off

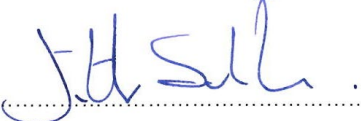
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁶.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



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Date: 14 AUGUST 2023
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⁴<https://ghgprotocol.org/corporate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/scope-3-standard>