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part of the Useful Simple Trust

GET/SET/ZERO

*The National Lottery
Community Fund Base Year
Carbon Footprint Report*

Certified



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The NLCF's Base Year Carbon Footprint Report

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This report was prepared by independent consultant Useful Projects (trading under Useful Simple Group Ltd). Useful Projects is a B Corp, Social Enterprise, and Employee Benefit Trust. We use our established Get Set Zero methodology and tools to support organisations to accelerate their journey to net zero carbon.

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1 / Introduction

GET/SET/ZERO

This section of the report:

- *Summarises the scope and purpose of this work*
- *Presents the NLCF's organisational context*
- *Highlights external targets and frameworks to align with*

Introduction

Project scope



Scope and purpose

In June 2023, the National Lottery Community Fund (TNLCF) appointed Useful Projects to measure their carbon footprint, suggest appropriate targets and decarbonisation actions, and build the capacity of the team to communicate, deliver, and report on carbon reduction.

This work is aligned with TNLCF's recently released strategy 'It starts with community' for 2023-2030, which includes four community-led missions and one to support communities to be environmentally sustainable. TNLCF's Environment Plan (2023-2030) sets four strategic goals under this mission, one of which is to "become an exemplar in managing our environmental impact".

This report supports TNLCF to get its 'own house in order', focusing on the organisation's own environmental impact through decarbonisation so that it can share its practice and inspire others. This work also helps the organisation meet target EP3d in the Environment Plan, which aims to "establish a Net Zero emissions baseline, including a better understanding of our Scope 3 carbon footprint, and set a pathway to achieve Net Zero emissions by 2030."

Outputs

- An internal-facing base year carbon footprint report, presenting the calculation methodology used, TNLCF's base year emissions, and carbon hotspots (this report).
- An internal-facing carbon reduction plan that succinctly summarises the footprint, sets out decarbonisation targets, pathways, and specific actions TNLCF will produce an external-facing report based on this content.
- Guidance documents covering external best practice, reporting, measurement systems, and communications of net zero progress.
- Useful Projects' Get Set Zero carbon footprint tool used to calculate TNLCF's base year carbon footprint, which includes all base year input data and emissions factors used.

Structure and content of this report

- This Introduction section summarises the project scope and context.
- The methodology for undertaking the analysis is summarised in Section 2.
- In Section 3 we present TNLCF's base year emissions for the 2022/23 financial year (FY 22/23).

In this report we refer to "TNLCF's Base Year Carbon Footprint", this could also be called TNLCF's base year greenhouse gas (GHG) emissions inventory and is sometimes called a baseline carbon footprint.

Introduction

Introduction to TNLCF



TNLCF is an executive non-departmental public body, sponsored by the Department for Culture, Media, and Sport (DCMS).

TNLCF awards money raised by National Lottery players to communities across the UK, working with local groups and UK-wide charities, enabling people and communities to thrive. It is one of 12 distribution organisations, and the largest community funder in the UK, supporting over 635,000 projects and distributing £43 billion since 1994.

The Fund's work is divided into five portfolios, covering funding across England, Northern Ireland, Wales, Scotland, and the UK as a whole. It distributes funds to support communities around four community-led missions:

- Support communities to connect
- Support environmentally sustainable communities
- Enable children and young people to thrive
- Enable people to live healthier lives

The National Lottery Promotions Unit (NLPU) raises public awareness of National Lottery funding. The NLPU is a joint venture between Camelot UK Lotteries, National Lottery distributors and the Department for Culture, Media & Sport. Although the NLPU operates as a separate unit, it is not a legal entity and is therefore governed by the National Lottery Community Fund's processes and procedures.

This analysis focuses on activities within TNLCF's operational control only, i.e., emissions associated with **Offices & Operations**, including those generated by the NLPU. The carbon emissions associated with TNLCF's external funding that it awards to community organisations are excluded. It should be noted that based on our experience of working with other funding organisations, the 'funding footprint' will very likely dwarf the 'offices and operations' footprint.

In FY 22/23, TNLCF operated across nine offices, with an average 786 full-time equivalent (FTE) employees. It is estimated that 89% of total hours worked were done from home.

Please refer to the methodology section for more information on the organisational boundaries used for TNLCF's base year carbon footprint and page 14 for a detailed breakdown of what is included in TNLCF's offices and operations.

Introduction

Previous reporting and carbon reduction actions by TNLCF



Previous reporting

- The Fund has 15 years of experience in measuring and reporting carbon emissions.
- TNLCF currently reports its emissions:
 - Annually to the Board
 - In their [Annual report and Accounts](#)
 - Quarterly and annually to their government sponsor, DCMS
 - Quarterly to Senior Management Team (SMT)
- Planet Mark have verified and measured the Fund's carbon data since FY 2019/2020, providing an external certification of measurement and reporting practices. The Fund has been Planet Mark Certified since 2021.
- TNLCF's emissions reporting has used inconsistent organisational and operational boundaries over time due to data availability, changing office locations, and homeworking as a result of the Covid19 pandemic.
- Most recently, scope 1 and 2 emissions, business travel, homeworking, and certain purchased goods and services (paper, IT equipment, office materials) have been included in the footprint.
- TNLCF has achieved carbon neutrality by purchasing carbon offsets for unmitigated Scopes 1, 2, and 3 emissions since 2018.
- TNLCF use a PowerBI tool to collate and analyse carbon emissions data.

Previous carbon reduction actions

- Work with Landlords to use boiler controls more efficiently and reduce running temperatures in the office, thereby reducing gas use.
- Implemented a no-fly policy within the UK (except with Director approval for flights to the Belfast office and remote Scottish Islands) and encourage energy efficient travel or meeting virtually where possible. This has reduced travel to around half as much as pre-pandemic levels, and most travel is done on trains.
- The London and Cardiff offices were downsized in FY 21/22 and there was no Manchester Office during this base year year of FY22/23, as a small shared office space was sought.
- Mothballed areas in offices to reduce air conditioning and heating.
- Reduced the IT equipment hardware footprint by switching to software services and reduced electricity demand by migrating data to the Cloud, enabling a 41% reduction in the electricity used by the servers in FY 2022/23.
- Reduced the number of car parking spaces and offered staff an Electric Vehicle (EV) salary sacrifice scheme.
- Undertaken Carbon Literacy Training - between 2020 and 2023, 100 colleagues did a Carbon Literacy course, including representatives of every team and directorate.
- Repurposed and redistributed furniture across offices, rather than buying new.,
- Increased recycling rates to 93% of total waste, and reduced office printing

Introduction

Project context: external targets and frameworks



As an arms-length government organisation, the following external targets and frameworks are relevant to TNLCF, and have influenced this work:

- **UK Government Greening Government Commitments**, which TNLCF is required to report on as an arms-length body of government.
- **Greenhouse Gas Protocol Corporate Accounting Standard**, which provides standards and guidance for companies and other types of organisations preparing a GHG emissions inventory.
- **Science-based Targets initiative**, is deemed a best practice approach to carbon reduction target setting. SBTi does not currently assess: ‘cities, local governments, public sector institutions, educational institutions or non-profit organisations’, however, these organisations can align their target-setting with the science-based mitigation pathways provided.

A summary of each of these is provided on this page and overleaf.

In addition, aligning TNLCF’s carbon footprinting approach and targets with other funding bodies such as the Arts Council, the National Lottery Heritage Fund, and UK Sport has been an important consideration.

Greening Government Commitments

As an arms-length body, TNLCF is required to report against the Greening Government Commitments (GGC).

The GGC set out the actions UK government departments and their agencies will take to reduce their impacts on the environment. DCMS provide TNLCF with a template to complete annually, including gas, electricity, and water use, waste generated, business travel, and paper consumption. Effectively collecting scope 1 and 2 emissions, and selected scope 3 emissions.

The GGC do not yet require reporting of many scope 3 emissions sources that were included within this carbon footprint for completeness and best practice. For example, scope 3.1 purchased goods and services are often an organisation’s largest emissions source.

Greenhouse Gas Emissions Calculation Context

Project context: external targets and frameworks

Science-Based Targets initiative



The Science-Based Target initiative (SBTi) Corporate Net-Zero Standard provides a standardised approach to set net-zero targets that are aligned with climate science.

The SBTi does not currently assess targets for TNLCF’s sector classification: ‘cities, local governments, public sector institutions, educational institutions or non-profit organisations.’ However, these organisations can align their target-setting with the science-based mitigation pathways provided.

It is recommended that TNLCF use the Net-Zero Standard for alignment, to understand the key elements of a science-based net zero target and the recommended target setting process.

The following table from the Net-Zero Standard defines what proportion of emissions scopes the near-term and long-term science-based targets must include.

Table 4 Minimum boundary coverage for near-term targets and long-term targets

MINIMUM % BOUNDARY COVERAGE BY SCOPE		
GHG inventory scope	Near-term targets 	Long-term targets 
Scopes 1+2	95% minimum coverage	
Scope 3	67% minimum coverage (if scope 3 emissions are at least 40% of total scope 1, 2, and 3 emissions)	90% minimum coverage (all companies)

Greenhouse Gas Protocol

The Greenhouse Gas (GHG) Protocol ‘Corporate Accounting and Reporting Standard’ provides standards and guidance for companies and other types of organisations preparing a GHG emissions inventory. The GHG Protocol presents five principles to underpin and guide GHG accounting and reporting:

1. Relevance
2. Completeness
3. Consistency
4. Transparency
5. Accuracy

The GHG Protocol Corporate Standard requires reporting a **minimum of scope 1 and scope 2 emissions**. Reporting scope 3 emissions is currently optional.

The Protocol requires companies to select a representative ‘**base year**’ as a performance datum to track emissions over time. This base year can also be used as a basis for setting and tracking progress towards a GHG target.

Reporting companies are required to present the chosen organisation boundaries, consolidation approach, operational boundaries, reporting period, base year, significant context, methodologies, and exclusions.

GHG Emissions Overview

The GHG Protocol and emissions scopes

The GHG Protocol is the global accounting standard for Greenhouse Gas (GHG) emissions. The Protocol defines three scopes of emissions that organisations have control and/or influence over, either directly or indirectly.

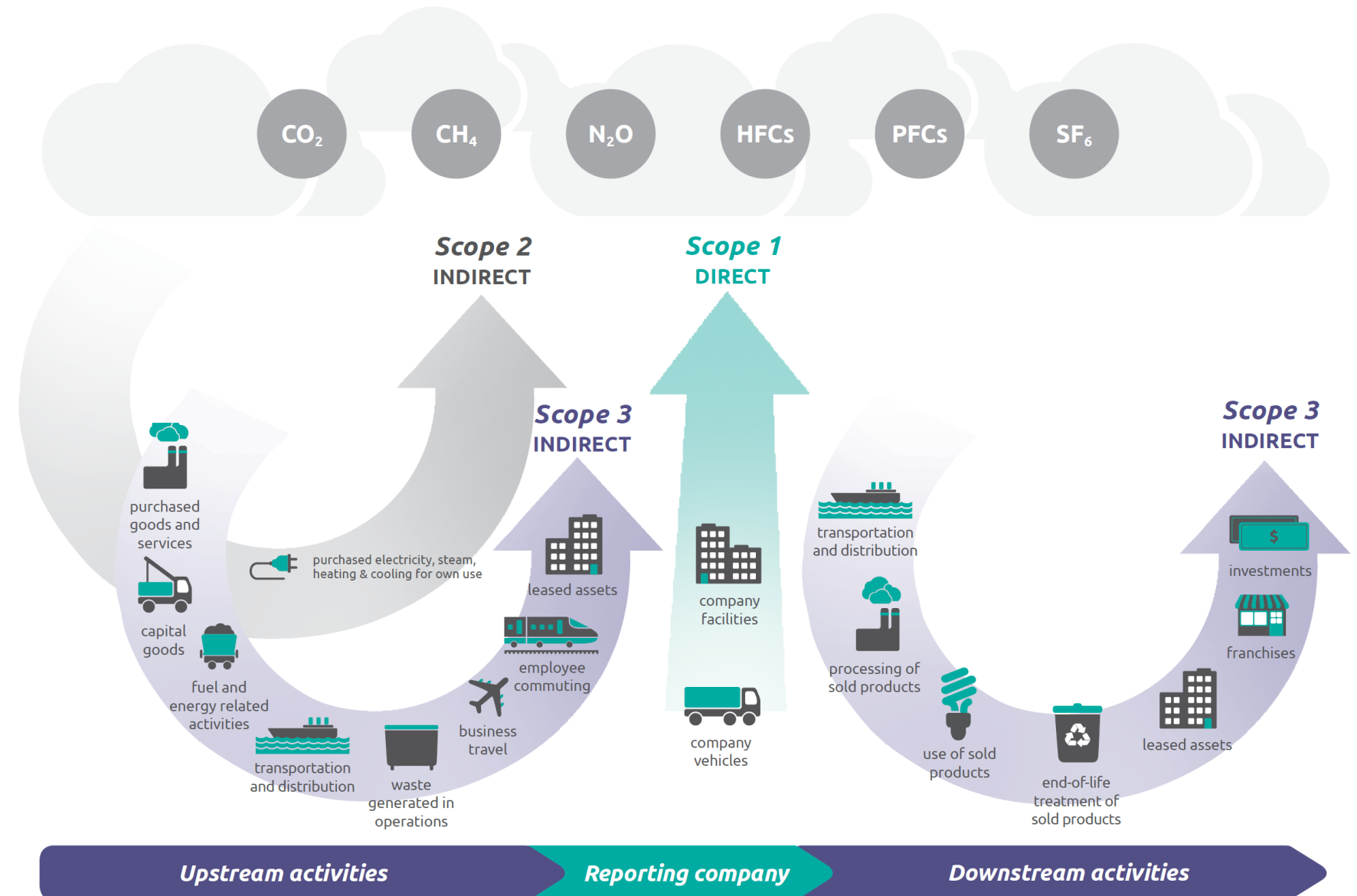
- **Scope 1:** direct emissions from owned or controlled sources, e.g., gas boiler at the office
- **Scope 2:** indirect emissions from the generation of purchased electricity
- **Scope 3:** indirect emissions from the value chain (upstream and downstream)

These scopes are neatly summarised in the figure across, from the GHG Protocol Corporate Value Chain Accounting Standard.

The vast majority of emissions from professional service organisations typically reside within scope 3.

The scope of this work covers scope 1, 2, and 3 emissions.

Figure [1.1] Overview of GHG Protocol scopes and emissions across the value chain



2 / Methodology

GET/SET/ZERO

This section of the report:

- *Summarises the methodology adopted, which follows a best-practice approach to greenhouse gas measurement.*
- *Presents the organisational and operational boundaries used for TNLCF's base year carbon footprint calculation.*
- *Summarises the data quality and limitations, and the assumptions made during the calculation, followed by recommended improvements for future calculations.*

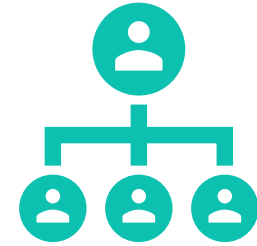
The Carbon Footprint Process

Alignment with the GHG Protocol



1. Define the base year

- Co-agree a relevant base year; ideally the latest year for which data is available



2. Define the organisational and operational boundaries, and consolidation approach

- Interviews with TNLCF data owners to understand the organisation's boundaries and operations



3. Collect activity data, review the quality, and identify gaps

- Briefing of activity data required
- Data collection by TNLCF team, including an employee commuting survey
- Data quality reviews by Useful Projects



4. Calculate the base year carbon emissions in the Get Set Zero carbon tool

- Input activity data into the calculation tool
- Sense check calculated emissions throughout



5. Prepare the base year carbon footprint report

- Visual presentation and analysis of footprint calculation results

GHG Protocol Reporting Requirements

Summary and base year selection

The Useful Projects' **GET/SET/ZERO** carbon footprint tools have been used to calculate TNLCF's base year emissions in accordance with the Greenhouse Gas (GHG) Protocol and Science-Based Targets initiative (SBTi). TNLCF will be provided with a copy of the tools for reference.

The GHG Protocol requires that the following information is provided for an emissions inventory (carbon footprint). The following table summarises TNLCF's base year carbon footprint boundaries, and further rationale is provided on the following pages.

GHG Protocol Requirement	TNLCF base year details
Base Year	Financial Year 2022/2023 (FY 22/23)
Consolidation approach and organisational boundary	Financial Control consolidation approach. TNLCF offices, National Lottery Promotions Unit(NLPU) operations, and sublet space to the Food Standards Agency.
Operational boundary	Scope 1, 2, and 3. The energy use emissions scopes are defined on page 16. The scope 3 categories that are relevant to TNLCF are summarised on page 17. The carbon emissions associated with TNLCF's external funding and awards to community organisations are excluded.

Base year selection

The GHG Protocol requires a base year for which verifiable emissions data is available, and that the reasons for selection are specified.

SBTi requires the base year be representative of a typical GHG profile for the organisation, and no earlier than 2015.

The FY 22/23 base year was selected as the best available representation of the 'new normal' for post-Covid TNLCF operations and ways of working, particularly with regards to homeworking, business travel, and employee commuting.

TNLCF Consolidation Approach

Alignment with the GHG Protocol

Consolidation approach

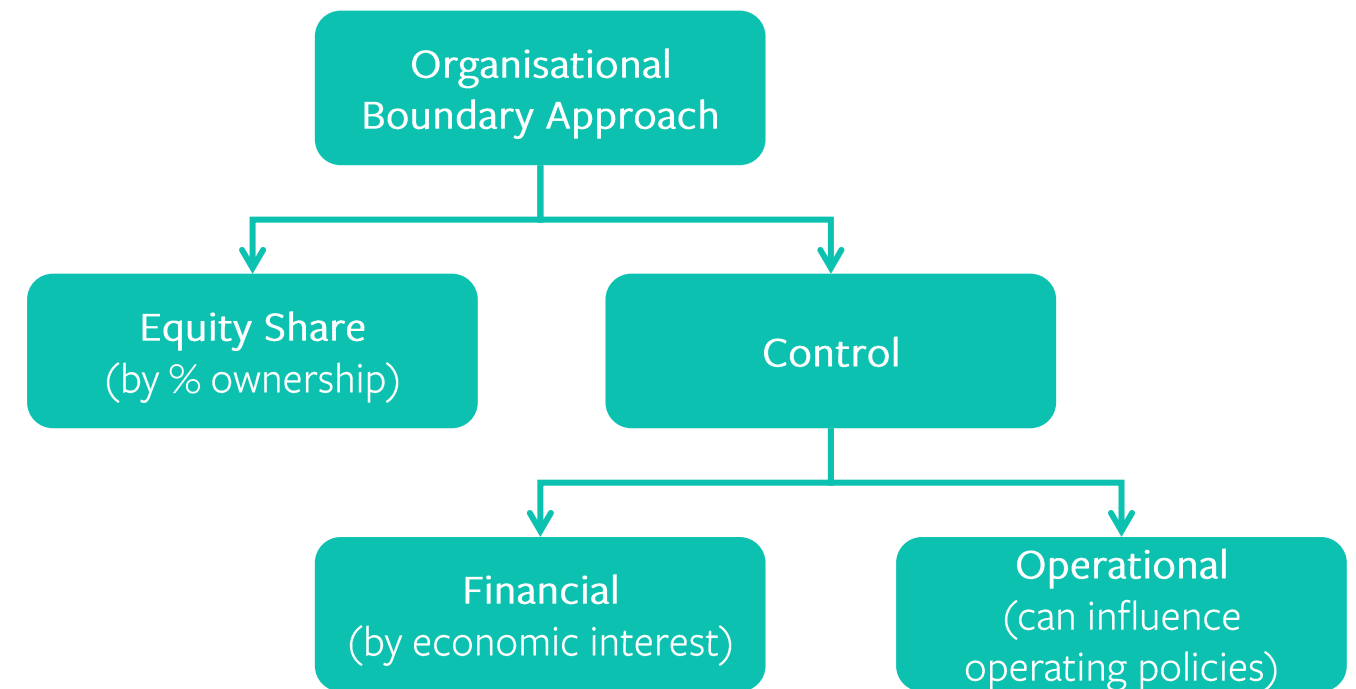
The GHG Protocol requires reporting organisations select one approach for consolidating (accounting for) their GHG emissions, and to consistently apply the approach to define the businesses and operations within their organisational boundaries. The selection of the consolidation approach is a key decision for organisations, and it impacts how emissions are allocated and attributed, influencing the overall results reported in a GHG inventory (carbon footprint).

The following characteristics were considered for TNLCF consolidation approach selection:

- The NLPU operations. TNLCF is the NLPU's largest funding body and manages their office space, procurement, and business travel. NLPU occupies space in TNLCF's London office. The NLPU is not a legal entity and is governed by TNLCF's processes and procedures.
- TNLCF leases nine office spaces.

TNLCF team expressed interest in taking leadership and including the NLPU's activities within their emissions, with the aim to influence future reductions.

Selection of the Financial Control approach means that the NLPU activities are included in TNLCF's carbon footprint. Financial Control also brings the energy use emissions from leased office spaces under a Financial Lease within TNLCF's scope 1 and 2 emissions. This is presented on page 15.



Extract from the GHG Protocol

TNLCF Organisational Boundary

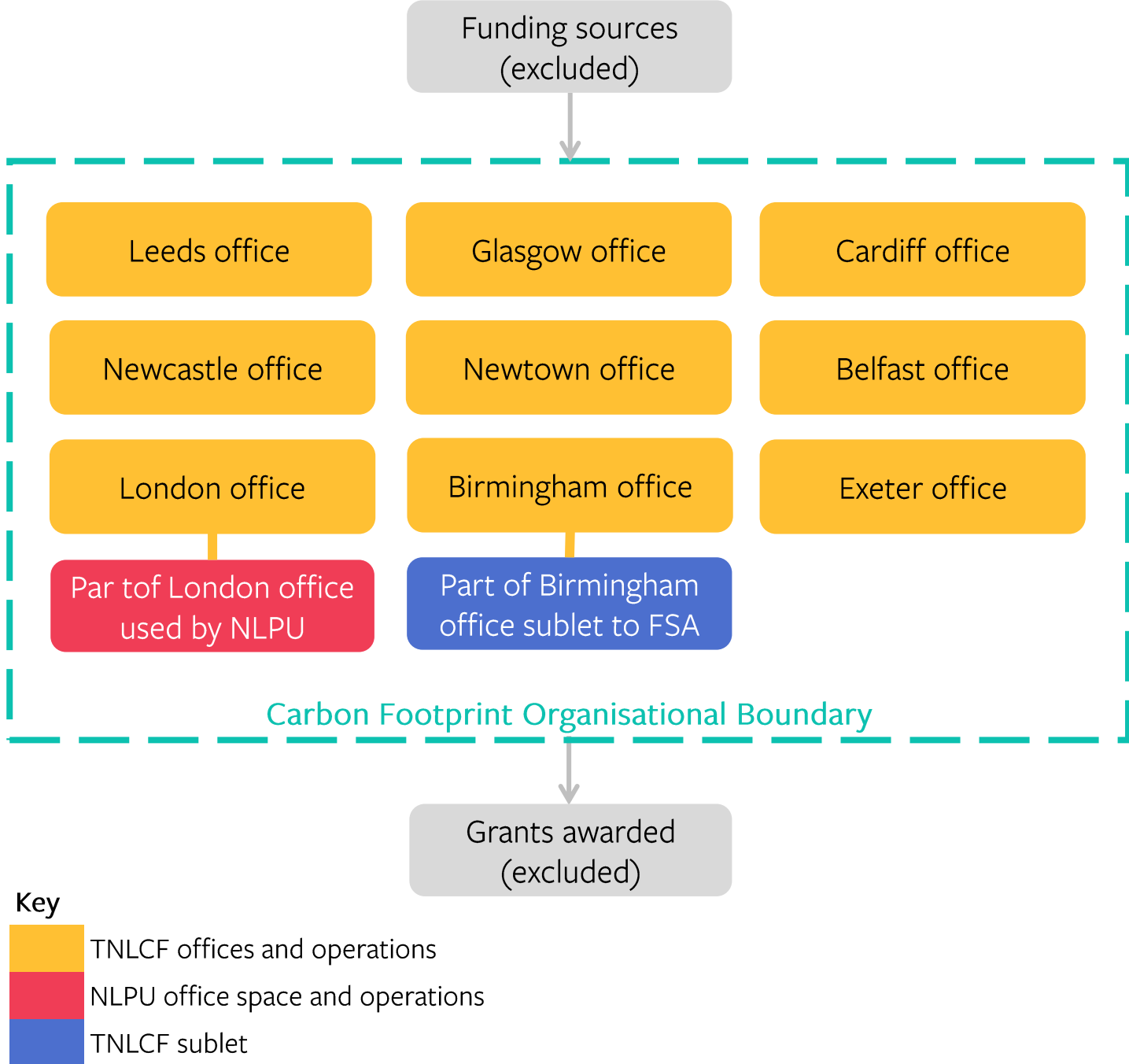
Alignment with the GHG Protocol

The adjacent figure visually presents the organisational boundary for TNLCF’s base year carbon footprint, confirming what is included and excluded, in line with the selected consolidation approach.

In summary, the footprint includes:

- **TNLCF’s nine leased occupied offices spaces operation in FY 22/23:** Birmingham, Newcastle, Glasgow, Belfast, London, Newtown, Cardiff, Leeds, and Exeter.
- **National Lottery Promotions Unit (NLPU):** the NLPU is funded by all lottery distributors, but TNLCF is the largest lottery distributor and manages the procurement, business travel, and office space of the NLPU. NLPU occupies space in TNLCF’s London office. The NLPU is not a legal entity and is governed by TNLCF’s processes and procedures. Therefore, the NLPU emissions are included within TNLCF’s scope 1, 2, and 3 emissions footprint.
- **Birmingham office sublet space:** Part of the Birmingham office is sublet to the Food Standard Agency (FSA).

Emissions associated with TNLCF’s funding and grants are excluded.



TNLCF Operational Boundary: Office Energy Use Emissions

Alignment with the GHG Protocol

TNLCF acts as a lessee as it leases office space from other entities, as well as a lessor, as it sublets some of its office space to other entities:

- **Lessee:** TNLCF leases office space from another entity.
- **Lessor:** TNLCF sublets office space to another entity.

These definitions, alongside the type of lease and the consolidation approach selected for the emissions inventory, defines whether the energy emissions from leased assets are accounted for in scope 1, scope 2, scope 3.8 (upstream leased assets), or scope 3.13 (downstream leased assets). The types of lease considered are:

- **Finance or capital lease:** enables the lessee to operate an asset and the risks and rewards of owning the asset.
- **Operating lease:** enables the lessee to operate an asset, but not the risks and rewards of owning the asset.

The table below summarises how the emissions will be reported under which scope, with further rationale provided to the right.

TNLCF facilities	TNLCF Lessor or Lessee?	Type of lease	Energy emissions scope 1 and 2, or 3?
TNLCF Birmingham Office – TNLCF occupied space	Lessee	Financial Lease	Scope 1 and 2 (direct emissions)
TNLCF Birmingham Office – Food Standards Agency occupied space	Lessor	Financial Lease	Scope 3.13 downstream leased assets (indirect emissions)
TNLCF all other offices	Lessee / desk licences	Financial Lease	Scope 1 and 2 (direct emissions)

The GHG Protocol organisational boundary consolidation approach used for TNLCF's carbon footprint: **financial control approach**.

Table [A.1] Leasing agreements and boundaries (lessee's perspective)

	Type of leasing arrangement	
	Finance/capital lease	Operating lease
Equity share or financial control approach used	Lessee has ownership and financial control, therefore emissions associated with fuel combustion are scope 1 and use of purchased electricity are scope 2. All TNLCF offices	Lessee does not have ownership or financial control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Upstream leased assets).
Operational control approach used	Lessee has operational control, therefore emissions associated with fuel combustion are scope 1 and use of purchased electricity are scope 2.	Lessee does have operational control, therefore emissions associated with fuel combustion at sources in the leased space are scope 1 and use of purchased electricity are scope 2. ³

Table [A.2] Leasing agreements and boundaries (lessor's perspective)

	Type of leasing arrangement	
	Finance/capital lease	Operating lease
Equity share or financial control approach used	Lessor does not have ownership or financial control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets). FSA sublet Birmingham	Lessor has ownership and financial control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 2.
Operational control approach used	Lessor does not have operational control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets).	Lessor does not have operational control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets). ⁴

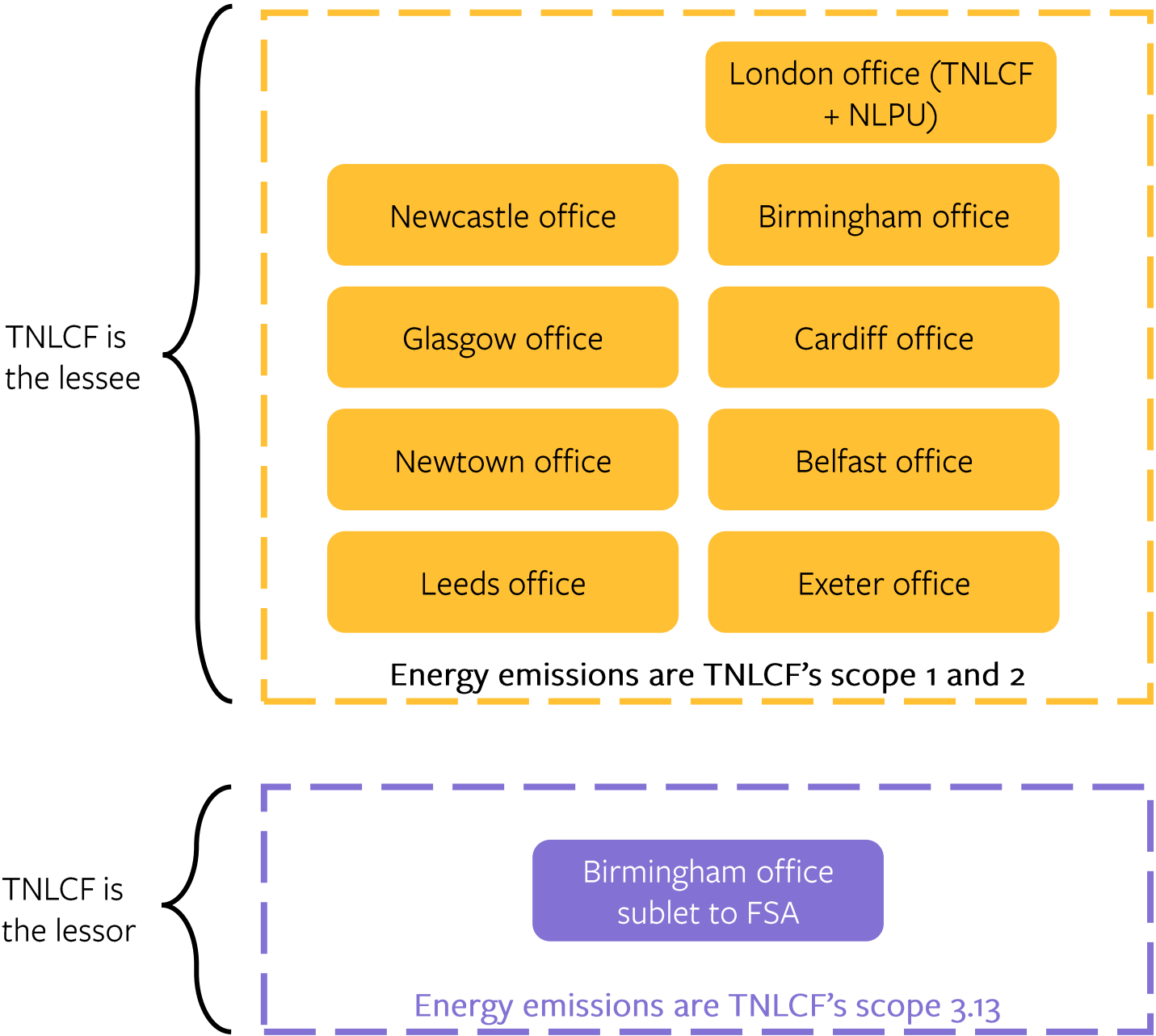
TNLCF Operational Boundary: Office Energy Use Emissions

Alignment with the GHG Protocol: energy emissions

The adjacent figure visually presents the operational boundaries of TNLCF office space energy use emissions, that is, whether the emissions are accounted for in direct scope 1 and 2, or value chain scope 3.13 – downstream leased assets.

In summary:

- The energy use emissions from the nine leased occupied offices spaces in FY 22/23 are included in scope 1 and 2.
- The NLPU office space energy use emissions are included, as explained on page 14.
- The energy use emissions from the Food Standard Agency (FSA) sublet in the Birmingham office are accounted for within scope 3.13 downstream leased assets. This is due to the lease arrangement and consolidation approach selected, analysis presented on page 15.



TNLCF Operational Boundary

Alignment with GHG Protocol

The GHG Protocol emissions scope categories and the applicability of each scope category to TNLCF carbon footprint are presented in the adjacent table.

Note regarding Scope 3.15 - investments:

- Scope 3 category 15 ‘Investments’ is only applicable to investors (i.e., companies that make an investment with the objective to make a profit) and companies that provide financial services. The GHG Protocol is primarily concerned with emissions resulting from an organisation’s own activities and those associated with its supply chain. It does not specifically address the emissions associated with external grants or funding ([GHG Protocol reference](#)).
- Therefore, scope 3 category 15 is not relevant for TNLCF.
- However, the largest opportunity for TNLCF to influence and reduce carbon emissions is through its funding and grants to community-based organisations. This approach of excluding funding emissions from the organisational carbon footprint is aligned with similar organisations, including UK Sport, Sport England, Arts Council England, and the National Lottery Heritage Fund.

Scope 1	
Stationary combustion sources	Yes
Mobile combustion sources	No
Fugitive emissions	Yes
Scope 2	
Purchased electricity	Yes
Scope 3	
1. Purchased goods and services	Yes
2. Capital goods	Yes
3. Fuel- and energy- related activities	Yes
4. Upstream transportation and distribution	No
5. Waste generated in operations	Yes
6. Business travel	Yes
7. Employee commuting	Yes
8. Upstream leased assets	No
9. Downstream transportation and distribution	No
10. Processing of sold assets	No
11. Use of sold products	No
12. End-of-life treatment of sold products	No
13. Downstream leased assets	Yes
14. Franchises	No
15. Investments	No

}

Upstream

}

Downstream

The Get Set Zero Tool

Carbon footprint calculation tools

The Useful Projects' Get Set Zero tool enables the calculation of an organisation's estimated carbon footprint from a reporting year. The Get Set Zero tool will be made available for TNLFCF future carbon footprint calculations.

Emissions factors are derived from the UK Government Emissions Factors, and Mike Berners-Lee's 'The Carbon Footprint of Everything'.

The below figure presents the calculator data input page, and the adjacent figure presents the visual results dashboard output page.



SCOPE 1

S1.1 Fuel use in facilities

S1.1-A Fuel use at occupied facilities or other controlled sources

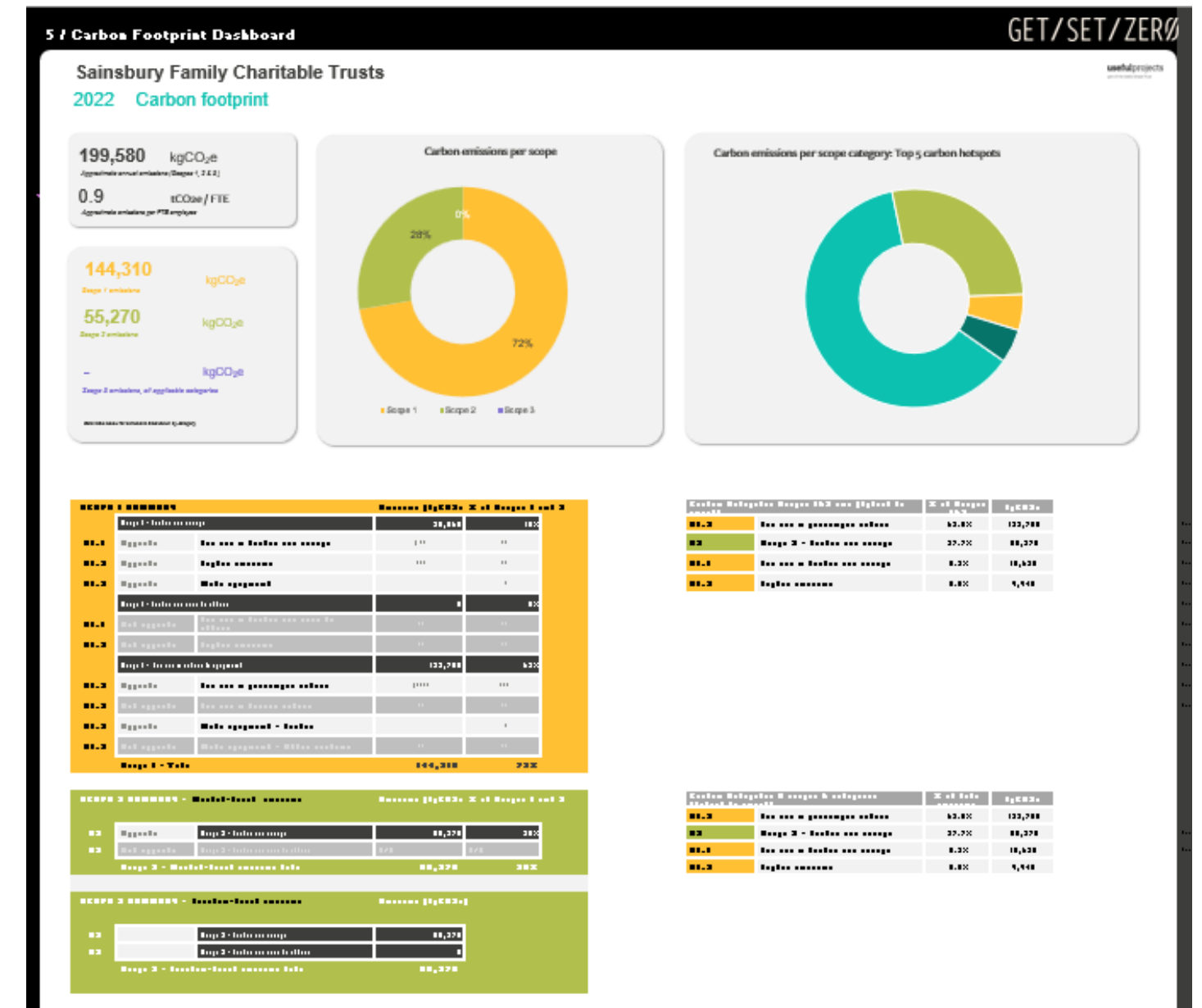
Facility name (where applicable)	Select the fuel category	Select the specific fuel used	Enter the amount of fuel used	Select the units of fuel	Facility Energy Use Intensity (kWh/m ²)
London Office	Liquid Fuels	Diesel (100% mineral blend)	16,500	litres	175.9
Hammersmith office	Gaseous Fuels	Natural Gas	100	cubic metres	0.6

S1.1	Fuel use in facilities summary	Absolute emissions (kgCO ₂ e)
S1.1-A	Facilities occupied	44,732 kgCO ₂ e
S1.1-B	Facilities leased to others	- kgCO ₂ e
S1.1 - TOT	Total	44,732 kgCO ₂ e

S1.2 Fuels in vehicles

S1.2-A Company owned vehicles: Fuel data available

Passenger vehicles	Facility name (where applicable)	Select the fuel type used	Enter the quantity of fuel consumed	Units
				litres
				litres
				litres



Data Quality Assessment (page 1)

Exclusions, limitations, assumptions, and recommended data improvements

Current carbon footprinting represents a best-practice estimate and involves assumptions, a reliance on generic carbon emissions factors, and best available input data., As such all emissions that are reported are approximate.

Emissions scope	Data sources	Data limitations	Exclusions and assumptions made	Recommended data improvements
Scope 1 - Stationary combustion sources	<ul style="list-style-type: none"> Fuel top-ups (Birmingham and Newcastle generators) Gas meter readings (Birmingham, Newcastle, and Glasgow) Quarterly service charges (Cardiff) Monthly usage from Landlord (London) No data available, gas use estimated (Exeter and Newtown) No gas use (Belfast and Leeds) 	<ul style="list-style-type: none"> Exeter and Newtown have gas supply; however, data could not be obtained from the landlords. The Cardiff office service charges could only be obtained for 6 months of the year. Glasgow was the only office which had gas consumption figures for the communal areas of the office building. Each data source provided different units (e.g., litres, spend, kWh, m³). 	<ul style="list-style-type: none"> The gas meter readings from the Birmingham, Newcastle, and Glasgow offices were assumed to have the best quality data. The annual gas use per m² of occupied office floor space was calculated for each of these offices. The average of these was used to estimate the annual gas use for the Exeter and Newtown offices based on their floorspace (m²). The gas service charges for the Cardiff office were assumed to be an accurate enough representation of annual gas use, and was multiplied by two to estimate the total gas use for the reporting year. All offices' (except Glasgow) communal area gas use has been excluded due to unavailable data. 	<ul style="list-style-type: none"> It is recommended that TNLCF improve its gas data collection systems at the Cardiff, Exeter, and Newtown offices. This is likely through engagement with the landlords to understand what gas data is available and requesting better data collection where necessary. TNLCF facilities team should engage with all office landlords to start understanding and collecting communal area gas usage data in each office building, to ensure completeness of their carbon footprint. TNLCF team may decide to include these emissions in their scope 3 upstream leased assets category due to not controlling this energy use. In this base year carbon footprint, all TNLCF office spaces gas use was defined as scope 1 emissions (page 16). As TNLCF offices spaces decrease, and the power to control the energy use in these spaces decreases, the gas use may move to scope 3 upstream leased assets.
Scope 1 - Fugitive emissions	<ul style="list-style-type: none"> Air-conditioning system refrigerant top-ups (recorded by facilities managers of each office besides Newtown) 		<ul style="list-style-type: none"> All TNLCF office reported no refrigerant top ups in FY 22/23, therefore fugitive emissions were reported as zero. Future calculations will use the total refrigerant charge data to assume an average annual refrigerant leakage rate depending on the size of the system. It is important to improve reporting of these emissions due to their high global warming potential. 	<ul style="list-style-type: none"> The facilities team should engage with all office landlords to collect the total refrigerant charge of each office building's air-conditioning system for use in future calculations. This could be captured in a new TNLCF facility carbon data database for ease of collection moving forward, where the facility managers are responsible for updating the facility data at regular intervals.
Scope 2 – Purchased electricity	<ul style="list-style-type: none"> Meter readings for the whole building (Newcastle and London) Meter readings for TNLCF office space (Exeter and Cardiff) Invoices (Birmingham, Glasgow, Belfast, and Leeds) Invoices and meter readings (Newtown) 	<ul style="list-style-type: none"> Data sources for electricity vary between offices. It is unclear if the electricity data included communal space electricity usage. The Glasgow office invoices had several refunds and irregular billing. The Newtown office has three months of invoices, meter readings for 8 months, and estimated electricity use for 1 month. 	<ul style="list-style-type: none"> Five of the nine offices' electricity sources were recorded as 100% renewable. Due to the unknown quality, and following the GHG Protocol guidance, the standard UK Electricity Grid emissions factor was used. Despite irregular billing intervals and refunds, the data provided at the Glasgow office was assumed to be complete for the reporting year. 	<ul style="list-style-type: none"> TNLCF should use a consistent data source for the Leeds office for future footprint calculations. TNLCF facilities team should engage with all office landlords to start collecting data on communal area electricity. TNLCF team may decide to include these emissions in their scope 3 upstream leased assets category due to not controlling this energy use.

*The UKGBC define high-quality green tariffs as those marketed by energy suppliers who purchase electricity only from 100% renewable sources.

Data Quality Assessment (page 2)

Exclusions, limitations, assumptions, and recommended data improvements

Current carbon footprinting represents a best-practice estimate and involves assumptions, a reliance on generic carbon emissions factors, and best available input data. As such all emissions that are reported are approximate.

Emissions scope	Data sources	Data limitations	Exclusions and assumptions made	Recommended data improvements
Scope 2 – Purchased electricity - tariffs	<ul style="list-style-type: none"> ‘TNLCF electricity emission factors per office’ excel register – sourced directly from the building managers or through invoices. 	<ul style="list-style-type: none"> Only the Newtown, Cardiff, and Exeter offices were reported to have renewable electricity tariffs. 	<ul style="list-style-type: none"> Only the Newtown, Cardiff, and Exeter offices were reported to have green / renewable electricity tariffs, and therefore their emissions were calculated using the market-based approach – using the emissions factors provided by the electricity providers. Within the provided emissions factors for all offices, a few were higher than the UK National Electricity grid average emissions factor. 	<ul style="list-style-type: none"> TNLCF team should keep engaged with their electricity providers and request emissions factors from them annually. This is particularly important as TNLCF team moves towards renewable tariffs for all offices. These renewable tariff details could be captured in a new TNLCF facility carbon data database (previously proposed) for ease of collection moving forward, where the facility managers are responsible for updating the facility data at regular intervals.
Scope 3.1 - Purchased goods and services - categorisation	<ul style="list-style-type: none"> SAP Concur Finance System (from Finance team) 	<ul style="list-style-type: none"> The TNLCF finance team categorised the procurement data in line with the provided emissions factor categories. Only a few minor recategorisations from the Useful Projects team were required. 	<ul style="list-style-type: none"> For future reference, please consider the following notes and exclusions: <ul style="list-style-type: none"> Finance spends associated rental payments, utilities (captured in scope 1 and 2), wages and salaries, donations, taxes, and depreciation of assets, are excluded. Spends associated with business travel were separated out and included in scope 3.6 business travel. Transport-related charges such as toll charges and parking fees, were included in scope 3.1 as there are no business travel emissions associated with them. 	<ul style="list-style-type: none"> To improve the accuracy of future carbon footprints, it is recommended that, ideally, TNLCF categorises procurement spend data as it is entered into the system, in line with the scope 3.1 purchased goods and services emissions categories. Care should be taken to avoid potential double-counting of emissions regarding transport and utilities spend. If TNLCF manages to switch to exclusively booking travel through a CTM system, they would no longer need to include the travel spends at all (mentioned in 3.6 below).
Scope 3.1 - Purchased goods and services	<ul style="list-style-type: none"> SAP Concur Finance System (from Finance team) 	<ul style="list-style-type: none"> Spend-based emissions factors were used to estimate emissions from purchased goods and services. 	<ul style="list-style-type: none"> Emissions factors used to estimate emissions from purchased goods and services are a combination of spend-based factors from the DEFRA UK and England’s 2020 consumption emissions, and from ‘The Carbon Footprint of Everything’ book by Mike Berners-Lee. These spend-based emissions factors can only provide a high-level estimate of emissions associated with the good or service. The emissions factors do not account for economic inflation since 2020. 	<ul style="list-style-type: none"> The most accurate way to calculate emissions from purchased goods and services is to engage with suppliers and obtain product-specific emissions factors from them. TNLCF should engage with their major suppliers to gather emissions factors, which has the added benefit of applying pressure on suppliers and service providers to decarbonise. Spend-based emissions factors will be updated as new data becomes available, TNLCF should stay up to date with the latest GHG accounting guidance and check it is using the most up to date emissions factors in future calculations.
Scope 3.2 - Capital goods	<ul style="list-style-type: none"> SAP Concur Finance System (from Finance team) 	<ul style="list-style-type: none"> The capital goods expenditure was incorporated within the procurement data. 	<ul style="list-style-type: none"> Capital goods have not been accounted for as a separate emissions category. Currently the same spend-based emissions factors are used for both purchased goods and services and capital goods categories. TNLCF’s current definition of capital goods is a single item over £2,000. These have historically not represented a significant proportion of purchased goods. 	<ul style="list-style-type: none"> For future years, it is recommended that as TNLCF team enters procurement data into the system, there is a category to select whether it is a capital good, aligned with the organisation’s financial accounting definition of a capital good. This way, TNLCF could report emissions from capital goods separately in their carbon footprints.

Data Quality Assessment (page 3)

Exclusions, limitations, assumptions, and recommended data improvements

Current carbon footprinting represents a best-practice estimate and involves assumptions, a reliance on generic carbon emissions factors, and best available input data., As such all emissions that are reported are approximate.

Emissions scope	Data sources	Data limitations	Exclusions and assumptions made	Recommended data improvements
Scope 3.5 - Waste generated in operations	<ul style="list-style-type: none"> Paper recycling weight (Birmingham, Newcastle, Glasgow, Leeds, Belfast, and Exeter) General waste and mixed recycling weights (Birmingham and Newcastle) Technology recycled weight (all offices) Estimated general waste and mixed recycling weights (Glasgow, Leeds, Exeter, Belfast, Cardiff, London, and Newtown) 	<ul style="list-style-type: none"> Waste generated in office spaces is currently only weighed at the Birmingham and Newcastle offices (the largest offices). There was no data available for paper recycling in the London, Newtown and Cardiff offices. 	<ul style="list-style-type: none"> The annual general waste and recycling generated per FTE based at the Birmingham office was used to estimate the annual general waste and recycling generated (per FTE) for the Belfast, Cardiff, Exeter, Glasgow, Leeds, London, and Newtown offices. It was assumed that the general waste from these offices was incinerated, and the mixed recycling was recycled for end-of-life processing due to no data available. 	<ul style="list-style-type: none"> Engage with the facilities manager or landlord at each office to enable more accurate collection of waste data. The team should look to improve waste data collection processes where possible and practical, recognising that weighing waste at each office can be difficult where there are communal bins, and that emissions from waste generated is a very small part of TNLCF carbon footprint.
Scope 3.6 - Business travel	<ul style="list-style-type: none"> TNLCF business travel data was captured in either the Corporate Travel Management (CTM) system or the SAP Concur finance system. Therefore, data from both was provided. The CTM data is distance-based for flights, car, rail, hotels, and public transport. The data from the SAP Concur finance system was spend-based for flights, taxi, bus, hotel, rail, and ferry. Currently 3 - 8% of business travel data is sourced from SAP Concur (spend-based). 	<ul style="list-style-type: none"> A mix of distance-based and spend-based data was used to estimate business travel emissions. This limits the analysis of business travel emissions. The locations of hotel stays were not available within the data. 	<ul style="list-style-type: none"> From the CTM system, payment reports were used rather than departure reports due to their greater accuracy in accounting for refunds and cancellations. Hotel stays were assumed to be within the United Kingdom. The distance travelled by car was estimated from spend-based data assuming TNLCF typically provided £0.45 per mile. The distance travelled on the London Underground was estimated by the CTM system using the average distance travelled in each Zone. 	<ul style="list-style-type: none"> Distance-based data by mode is more accurate than spend-based data. It is recommended that TNLCF encourages increased use of the CTM system for all business travel bookings. This will better capture business travel data, improve the accuracy of future carbon footprints, and allow for comparison between travel modes emissions per distance. Effective implementation of a CTM often requires behaviour change from employees to book all their business travel through the CTM rather than expensing. TNLCF could consider a communications campaign – linking improved travel data to an improved carbon footprint, as well as providing incentives for use.
Scope 3.7 - Employee commuting	<ul style="list-style-type: none"> The August 2023 employee commuting survey outputs. The survey asked various questions related to employee commuting (e.g., office location and attendance, mode of transport and distance travelled), and homeworking (e.g., days worked from home, electricity tariff type, and environmental sustainability actions at home). 	<ul style="list-style-type: none"> 48% of employees completed the commuting survey (381 respondents). The survey was performed in August 2023, asking for commuting patterns in FY 22/23. This could impact the accuracy of the responses. 	<ul style="list-style-type: none"> The employee commuting survey responses were assumed to be an accurate representation of total TNLCF employees' commuting patterns. The total passenger kilometres per transport mode were estimated using the average distance travelled per mode per person and apportioned to TNLCF's FTE employees for FY 22/23 (786). Given most employees are based outside of London, the 'local non-London bus' emissions factor was used for the total bus distance from responses, and the 'light rail and tram' emissions factor was used for 'tram / tube / light rail' distance responses. 	<ul style="list-style-type: none"> It is recommended that TNLCF repeat the employee commuting survey following the expected reduction in office spaces and changes in the ways of working. The survey team should consider lessons learnt from this first iteration, and use the same or slightly improved questions to collect consistent data year on year. Aim to increase the commuting survey engagement year on year, thereby improving accuracy of the estimated emissions. The team could try rolling the survey out within smaller teams to increase engagement and at the end of the financial year to increase accuracy.

Data Quality Assessment (page 4)

Exclusions, limitations, assumptions, and recommended data improvements

Current carbon footprinting represents a best-practice estimate and involves assumptions, a reliance on generic carbon emissions factors, and best available input data. As such all emissions that are reported are approximate.

Emissions scope	Data sources	Data limitations	Exclusions and assumptions made	Recommended data improvements
Scope 3.7 - Homeworking energy use	<ul style="list-style-type: none"> Annual average working days; after allocated annual leave and average sick leave from the People Team In-office headcount from the Facilities team A question about days worked from home was also included in the employee commuting survey, but office occupancies were used instead. 	<ul style="list-style-type: none"> In-office headcount data misses those who were away from their desk / the office at the time of the headcount. Employees working from community spaces are considered to be homeworking for the purposes of this calculation / energy use estimate. 	<ul style="list-style-type: none"> The number of hours worked from home was estimated by subtracting in-office headcounts from the average annual number of working days (accounting for an average of 6 working weeks of annual leave and 7.5 days of sick leave for a total of 7.5 working weeks). Homeworking emissions include those associated with the energy and electricity used for heating and office equipment during the workday. 	<ul style="list-style-type: none"> It is recommended that TNLCF team continue using headcount data to estimate hours worked from home for the carbon footprint calculation. These headcount figures could be captured in a new TNLCF facility carbon data database (previously proposed) for ease of collection moving forward, where the facility managers are responsible for updating the facility data at regular intervals.
Scope 3.13 - Downstream leased assets	<ul style="list-style-type: none"> Meter readings from Birmingham office (scope 1 gas) Invoices from Birmingham office (scope 2 electricity) 		<ul style="list-style-type: none"> The emissions associated with the energy used by the Food Standards Agency as a sublet tenant to TNLCF has been included in the scope 3.13 downstream leased assets emissions category. The Food Standards Agency sublet 16% of the Birmingham office in FY 22/23. Gas and electricity data from the Birmingham office was apportioned to the area that the sublet occupies. 	<ul style="list-style-type: none"> The Food Standards Agency will continue to occupy space in the Birmingham office, despite overall reduction of that office space in the future. Continue to include emissions from the Food Standards Agency, and any new sublets, in TNLCF's scope 3.13 downstream leased assets.

Carbon Footprint Calculation Methodology

Recommended steps for future footprint calculation

The following high-level steps are recommended for the calculation of carbon footprints for subsequent years.

1. Put in place data improvement measures over time, to improve data quality and ensure a smooth data collection process
2. Communicate data requirements and timeframes with the data owners
3. Carry out an employee commuting survey
4. Review progress against the action plan
5. Review the organisational boundaries and consolidation approach selected
6. Review operational boundaries
7. Collect emissions data for the latest Financial Year from the data owners
 - Input data into the Get Set Zero data collection tool
 - Ensure emissions factors are relevant for the reporting year (details adjacent)
6. Calculate the Financial Year emissions
 - Input data totals into the Get Set Zero calculation tool
7. Analyse data
8. Compare to base year emissions
9. Present results

Calculation notes for TNLCF:

- For the FY 22/23 Base Year, the 2022 emissions factors were used. For future calculations, the team should use the updated emissions factors from the ‘Government [conversion factors](#) for company reporting of greenhouse gas emissions’ website.
- NLPU data could only be separated out for business travel and purchased goods and services.
- TNLCF will have to consider and add any future new offices, this will likely be considered organic growth and not trigger a base year calculation, however, please see GHG Protocol base year guidance [here](#) in case.
- Future footprints could compare emissions of each geographic directorate to match the governance and finance structures of TNLCF.

3 / Base Year Carbon Emissions

GET/SET/ZERO





This section of the report:

- *Presents TNLCF's base year carbon footprint*
- *Presents the emissions breakdown in key scope categories*
- *Summarises carbon hotspots*

TNLCF's Base Year Carbon Footprint Breakdown

Offices + Operations and NLPU activities

TNLCF's total carbon footprint is split into two components, as follows:

- **Offices + Operations** 
 - This includes the scope 1, 2, and 3 emissions associated with TNLCF's corporate operations, including office energy use, business travel, employee commuting etc.
- **National Lottery Promotions Unit (NLPU)** 
 - This includes the scope 3 emissions associated with the NLPU's business travel and purchased goods and services.
- **Total TNLCF Carbon Footprint**  
 - TNLCF Offices + Operations and NLPU activities.



TNLCF Glasgow office

TNLCF's Total Base Year Carbon Footprint



Total estimated footprint, including Offices + Operations and NLPUs emissions by scope

TNLCF's base year FY 22/23 organisational carbon footprint (scope 1, 2, and 3) is approximately 2,240 tonnes of carbon dioxide equivalent greenhouse gases: **2,240 tCO₂e**

- This is equivalent to 2.9 tCO₂e per employee, based on 786 average FTE in the base year FY 22/23. This figure is quite low compared to other, similar funding organisations.
- The majority of TNLCF's carbon footprint is within scope 3 emissions, representing 90% of emissions. This is typical for a service-based organisation.
- 7% of TNLCF's carbon footprint is within its scope 1 emissions, which is made up entirely of gas heating in offices for the base year.
- Scope 2 emissions from purchased electricity made up 3% of TNLCF's carbon footprint. The market-based electricity emissions were used to calculate the footprint, accounting for the emissions saved through green energy procurement.
- The emissions scopes totals are provided in the below summary table and scope category breakdowns are detailed further on the following pages.

Emissions scope	tCO ₂ e	% of footprint
Scope 1 – <i>natural gas</i>	167	7%
Scope 2 – <i>Market-based electricity</i>	56	3%
• <i>Location-based electricity</i>	60	-
Scope 3 – <i>value chain</i>	2,021	90%
Totals	2,240	100%

TNLCF's Total Base Year Carbon Footprint Breakdown



Total estimated footprint, including Offices + Operations and NLPU activities by scope category

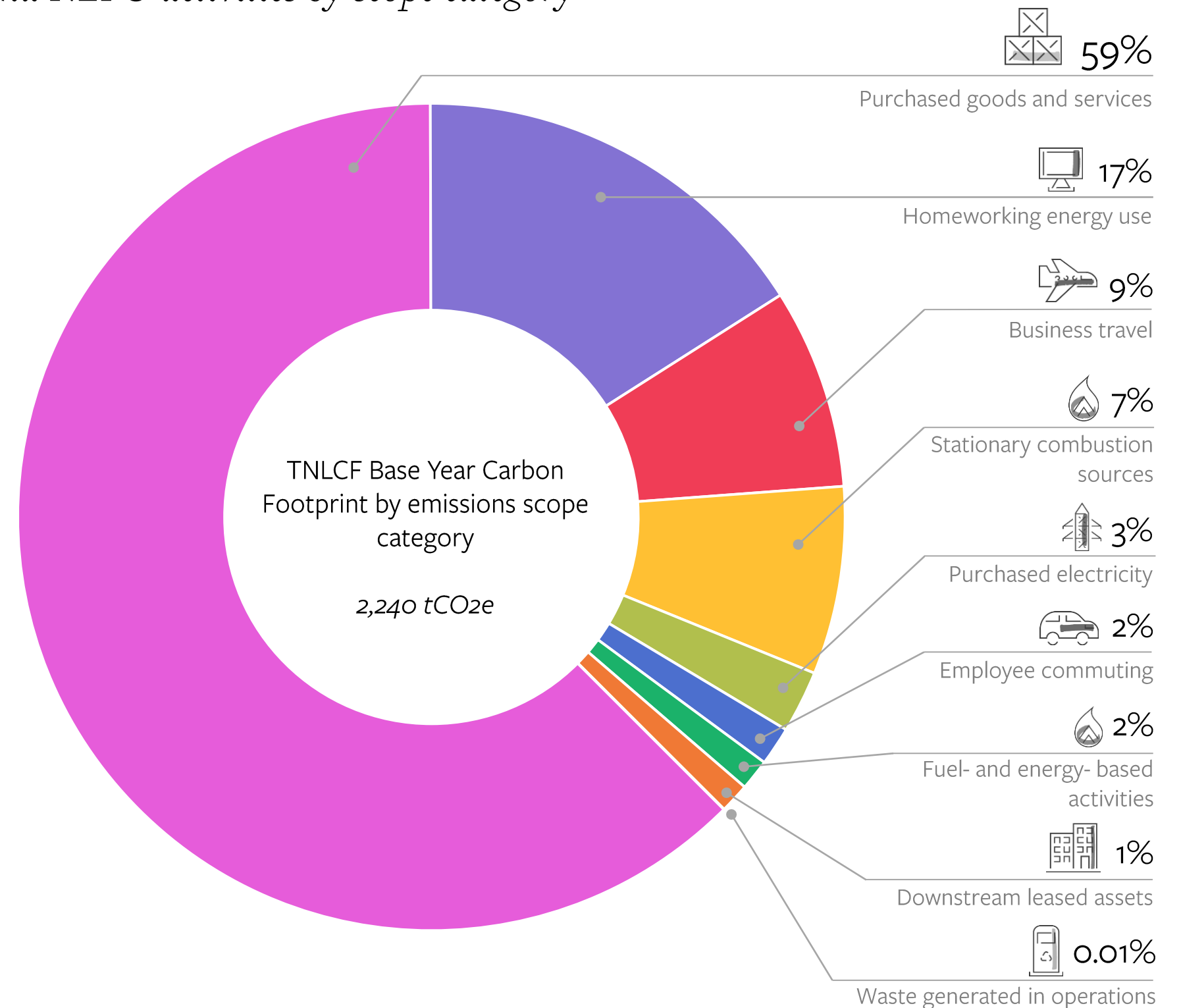
TNLCF's scope categories with the highest carbon emissions are estimated to be:

- Purchased goods and services at 59%
- Homeworking energy use at 17%
- Business travel at 9%

These 'carbon hotspots' will be key areas of focus for TNLCF decarbonisation plan.

It is very common for a professional service organisation's highest emissions category to be purchased goods and services.

Homeworking sources are high for TNLCF as approximately 89% of total working hours are completed at home.



TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated scope 1 and 2 emissions per office area

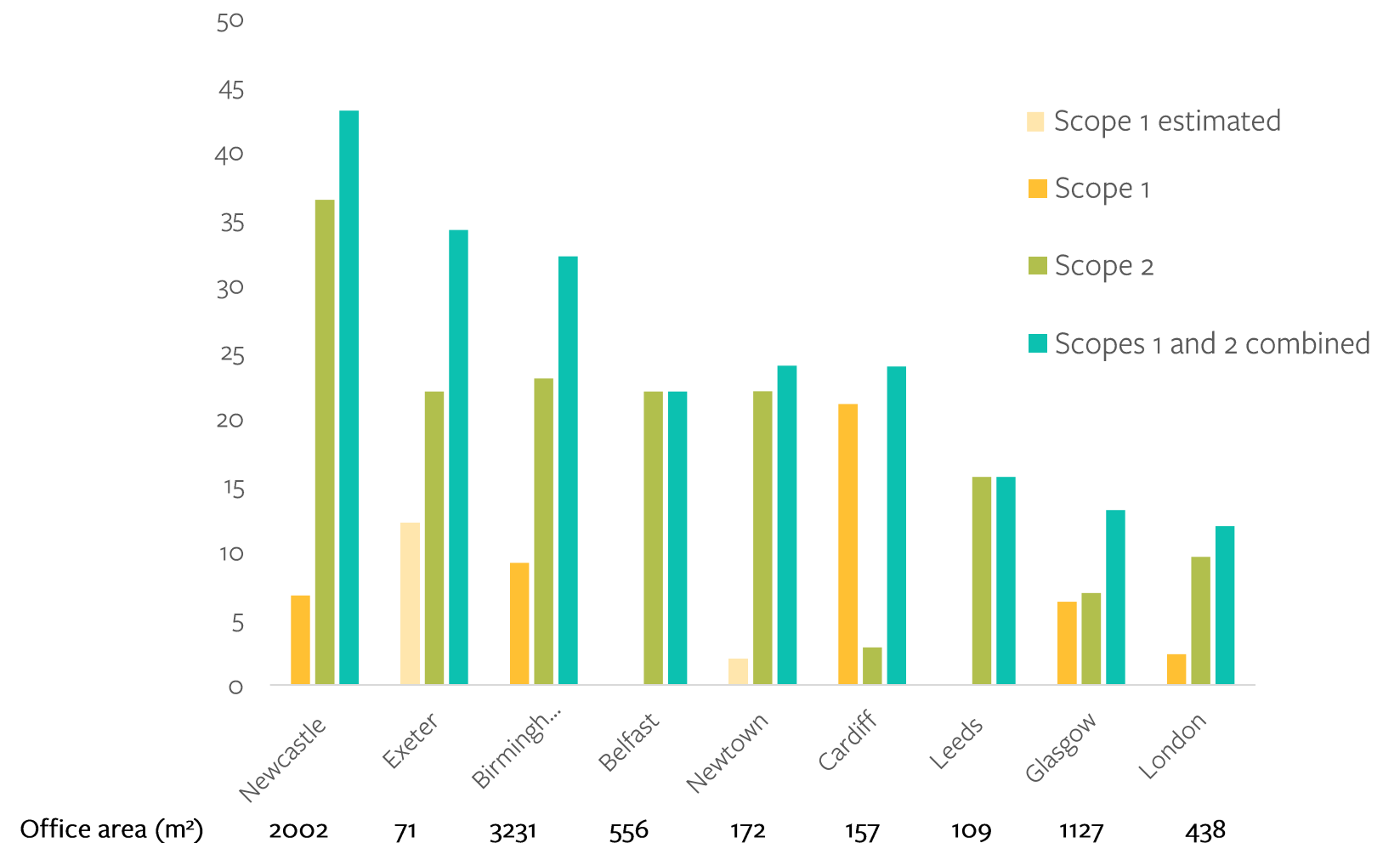


Scope 1 and 2 emissions account for approximately 10% of TNLCF's total base year emissions. Despite not representing the largest source of emissions, scope 1 and 2 emissions from office heating (natural gas) and electricity usage are within TNLCF's control, and therefore responsibility to reduce.

The adjacent graph presents TNLCF's scope 1 and scope 2 emissions by office area in the reporting year. The location-based electricity emissions have been used for this analysis. These figures do not include TNLCF's proportion of communal area energy use emissions at each office. The area of each office space in m² is presented below the graph.

- The Newcastle office has the highest scope 2 emissions per m² at 36 kgCO₂e / m², and the highest combined scope 1 and 2 emissions per area 43 kgCO₂e / m².
- The Cardiff office has the highest scope 1 emissions per m² at 21 kgCO₂e / m², but the second lowest scope 2 emissions per m² at 2.8 kgCO₂e / m².
- The Glasgow and London offices have the lowest combined scope 1 and 2 emissions per m² at 13.1 and 11.9 kgCO₂e / m², respectively.
- The Leeds and Belfast offices have no scope 1 emissions as the buildings do not have any gas supply.
- The Newtown and Exeter offices scope 1 emissions are represented in a lighter yellow colour to indicate that they were estimated due to a lack of data. Refer to page 19 for the detailed methodology.
- If market-based electricity emissions had been used, the Exeter office scope 2 emissions would be reduced by 95%, the Newtown office scope 2 would be zero, and the Cardiff scope 2 would be reduced by 85%. Refer to page 20 for the detailed methodology.

Scope 1 and 2 emissions by office area (kgCO₂e / m²)



TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated results by scope: 3.1 purchased goods and services

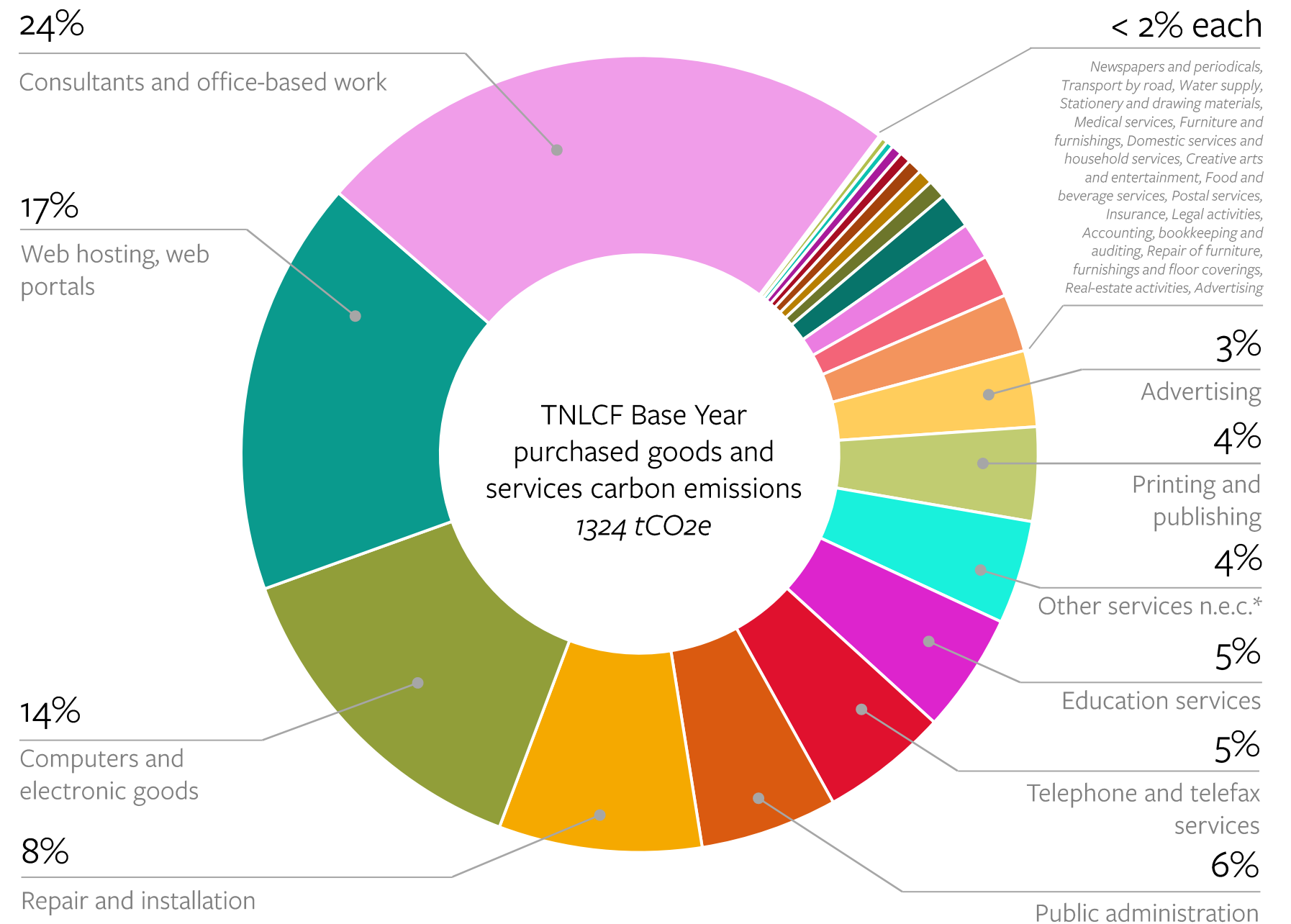


Purchased goods and services account for 59% of TNLCF's total base year emissions and will be a key area of focus for the decarbonisation plan.

The graph presents the breakdown in estimated emissions sources within purchased goods and services.

- Consultants and professional services emissions account for the highest contribution at 24%.
- Web hosting and web portal emissions account for 17% of the purchased goods and services emissions footprint.
- The third highest contributor is computers and electronic goods at 14%.

As mentioned in the limitations and assumptions, these emissions are based on spend-based emissions factors, therefore provide a high-level approximation.



TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated results by scope: 3.1 purchased goods and services

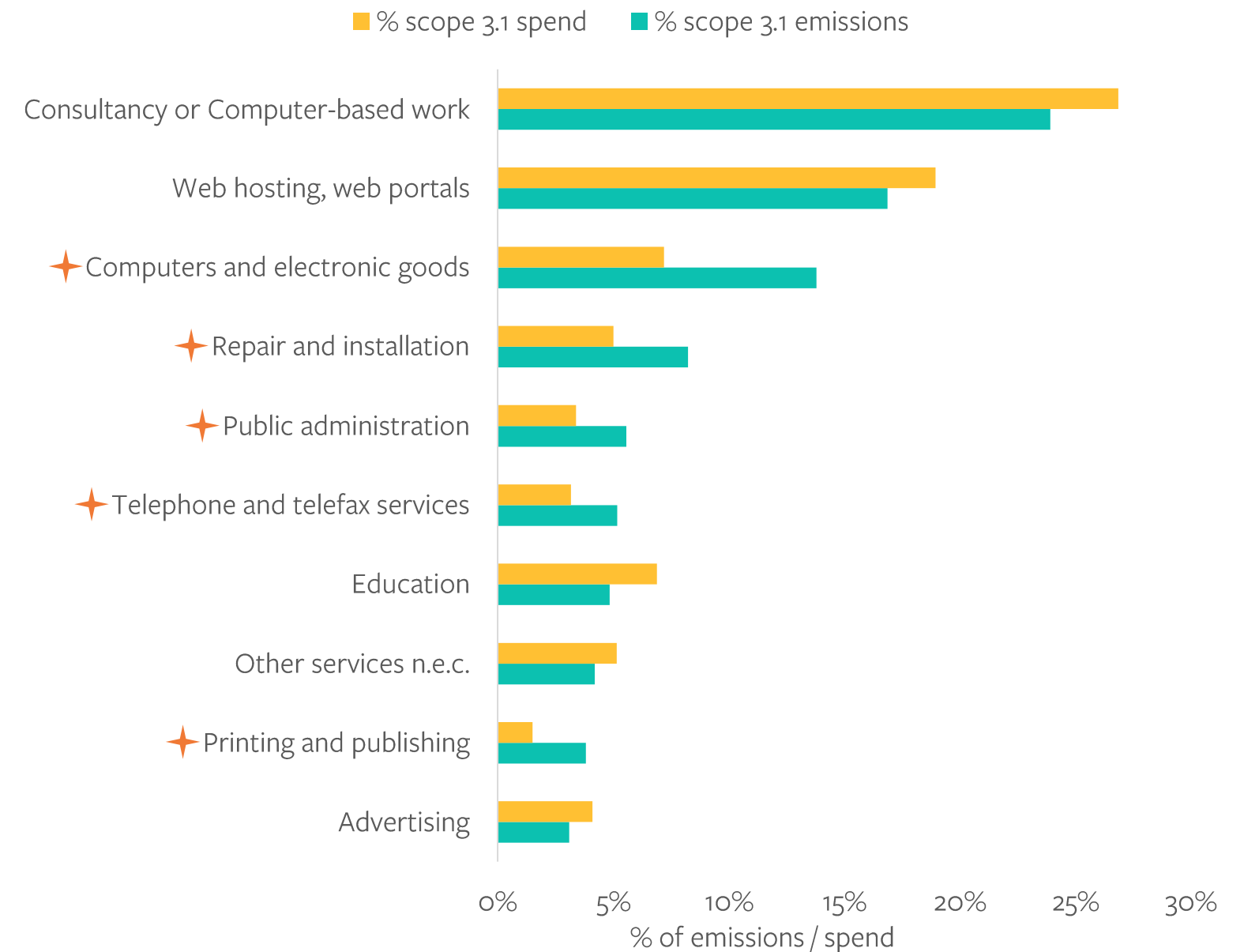


We have conducted further analysis on TNLCF's scope 3.1 purchased goods and services emissions to highlight the procurement categories that are a low area of spend but have high carbon emissions associated with them; thereby having a 'high carbon intensity' or high emissions/spend. The purpose of this analysis is to also help TNLCF decide where to prioritise its decarbonisation efforts.

The procurement categories that have a higher carbon intensity are: computers and electronic goods, repair and installation, public administration, telephone and telefax services, and printing and publishing. This is shown in the adjacent figure, where the yellow bar (spend) is smaller than the aqua bar (emissions), highlighted by an orange cross. ✦

The two most significant TNLCF higher carbon intensity procurement categories, that would be suitable for a focused supplier decarbonisation programme are:

- Computers and electronic goods, which account for 7% of spend, yet 14% of emissions. This high emissions to spend ratio is due to the emissions associated with the materials sourcing, manufacturing, distribution, and disposal of computers and electronic goods.
- Repair and installation activities, which are responsible for 5% of spend, and 7% of emissions. This is due to the emissions associated with the materials sourcing, manufacturing, distribution, installation, and disposal of construction materials.



TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated results by scope: 3.1 purchased goods and services

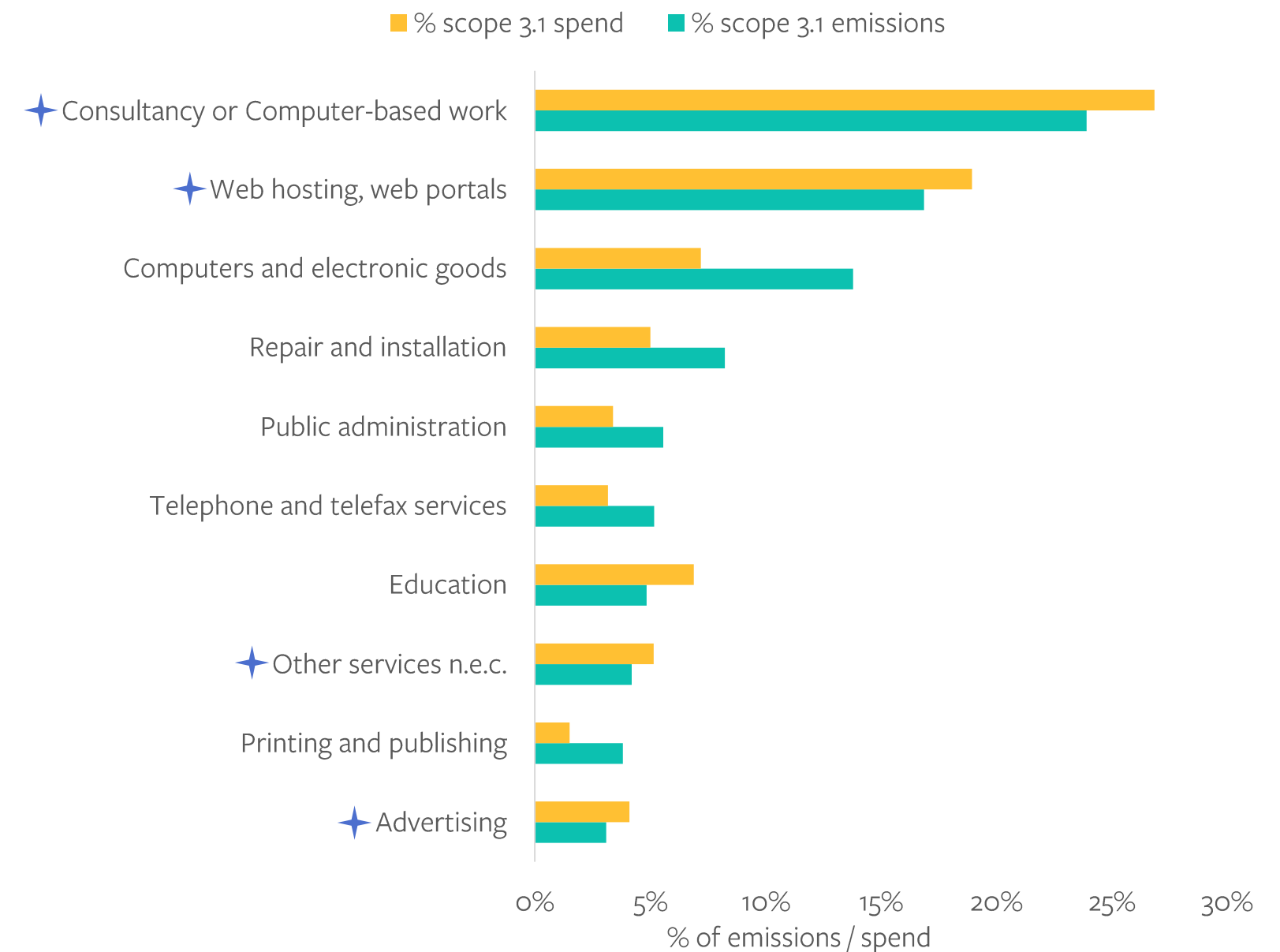


There are also TNLCF procurement categories that are a high area of spend and have relatively high carbon emissions, denoted by a blue cross. ✦

The two most significant TNLCF higher carbon intensity procurement categories, that would be suitable for a focused supplier decarbonisation programme are:

- Consultancy and computer-based work, which account for the highest proportion of emissions at 24% and the highest proportion of spend at 27%. The carbon intensity is low, as the carbon emissions associated with desk-based work are relatively small. However, as the largest spend and largest emissions category, TNLCF should keep this category in focus.
- Web hosting and web portals, which account for 17% of emissions and 19% of spend. These activities include the energy use of datacentres for website hosting and cloud storage and is likely to increase in future years as our digital footprints grow. Therefore, this is another recommended area of focus.

As a next step, it is recommended that TNLCF identify the individual suppliers with the highest spend in the top emitting spend categories to engage with through a supplier engagement decarbonisation programme.



Where 'Other services n.e.c.' includes press monitoring, parliamentary monitoring, stakeholder engagement, document storage, sundries, and other grant delivery.

TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated results by scope: 3.6 business travel



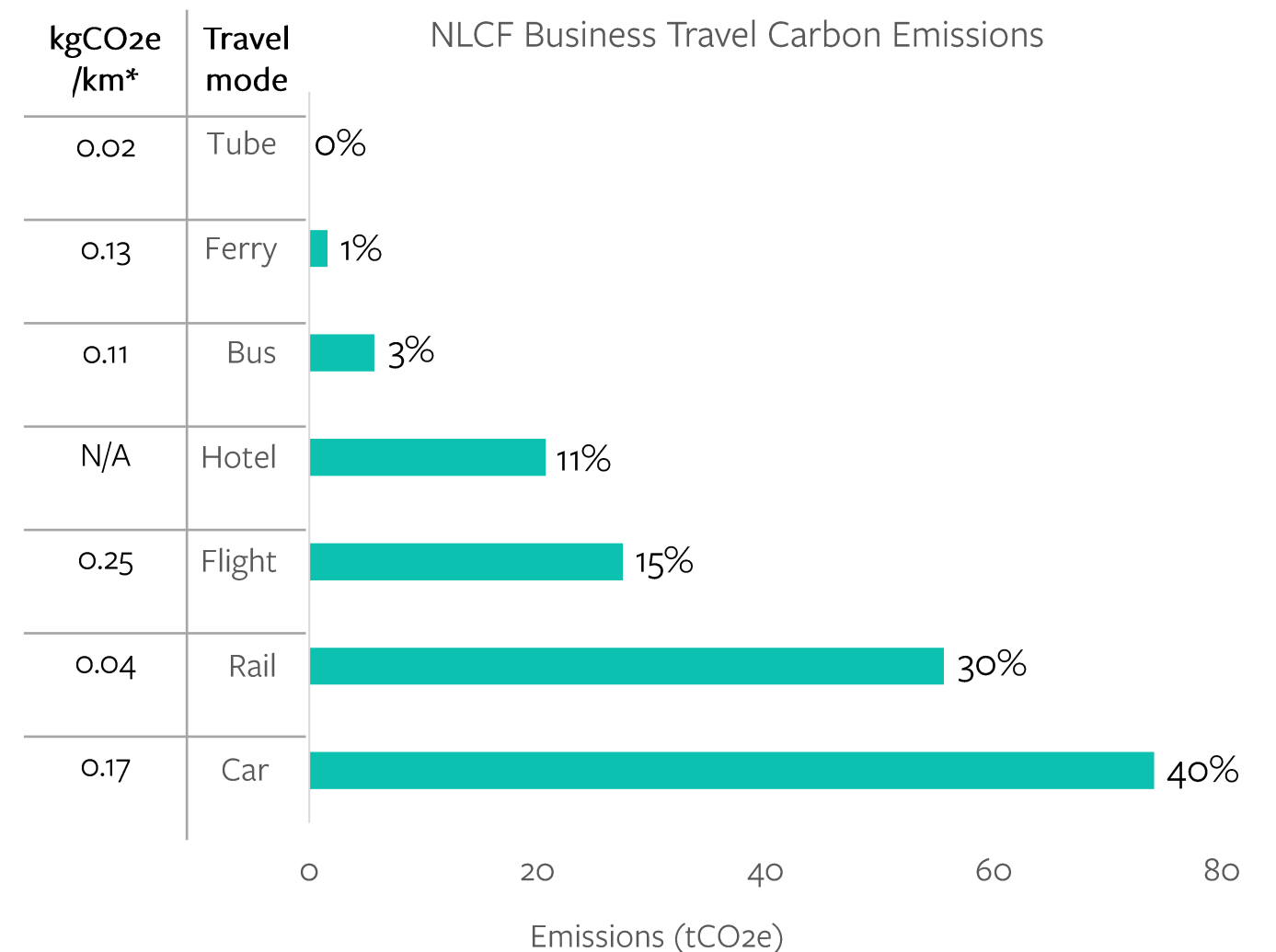
The adjacent graph presents TNLCF's business travel carbon emissions by transport mode and the associated kgCO₂e per passenger kilometre for each mode.

TNLCF believe that FY 22/23 is a good representation of a 'new normal' for business travel behaviour post-Covid. Business travel volumes rose in FY 22/23 compared to FY 21/22 levels but remain below pre-Covid levels.

Business travel represents approximately 9% of TNLCF's total carbon emissions.

- Car travel at 40% and rail travel at 30% account for the of majority of TNLCF's business travel emissions. Since car travel emits a higher amount of carbon per km relative to rail travel, its contribution to TNLCF's carbon footprint is higher despite representing a smaller proportion of the overall distance travelled.
- Flights contribute less to business travel emissions relative to previous years, estimated at 15% for this base year. This is likely due to the travel policy prohibiting flights within mainland UK.

For future calculations, it is recommended that TNLCF capture the number of trips taken per mode, to enable comparison between the number of trips taken, and the resulting emissions.



*Emissions per passenger kilometre references:

Source: UK Government GHG Conversion Factors 2022

- Tube = London underground
- Ferry = Car passenger
- Bus = Local bus (not London)
- Hotel stays are not included as they are not distance-based
- Flight = Domestic, to/from UK
- Rail = National rail
- Car = Cars (by size), average car / km

TNLCF's Total Base Year Carbon Footprint Breakdown

Estimated results by scope: 3.7 employee commuting



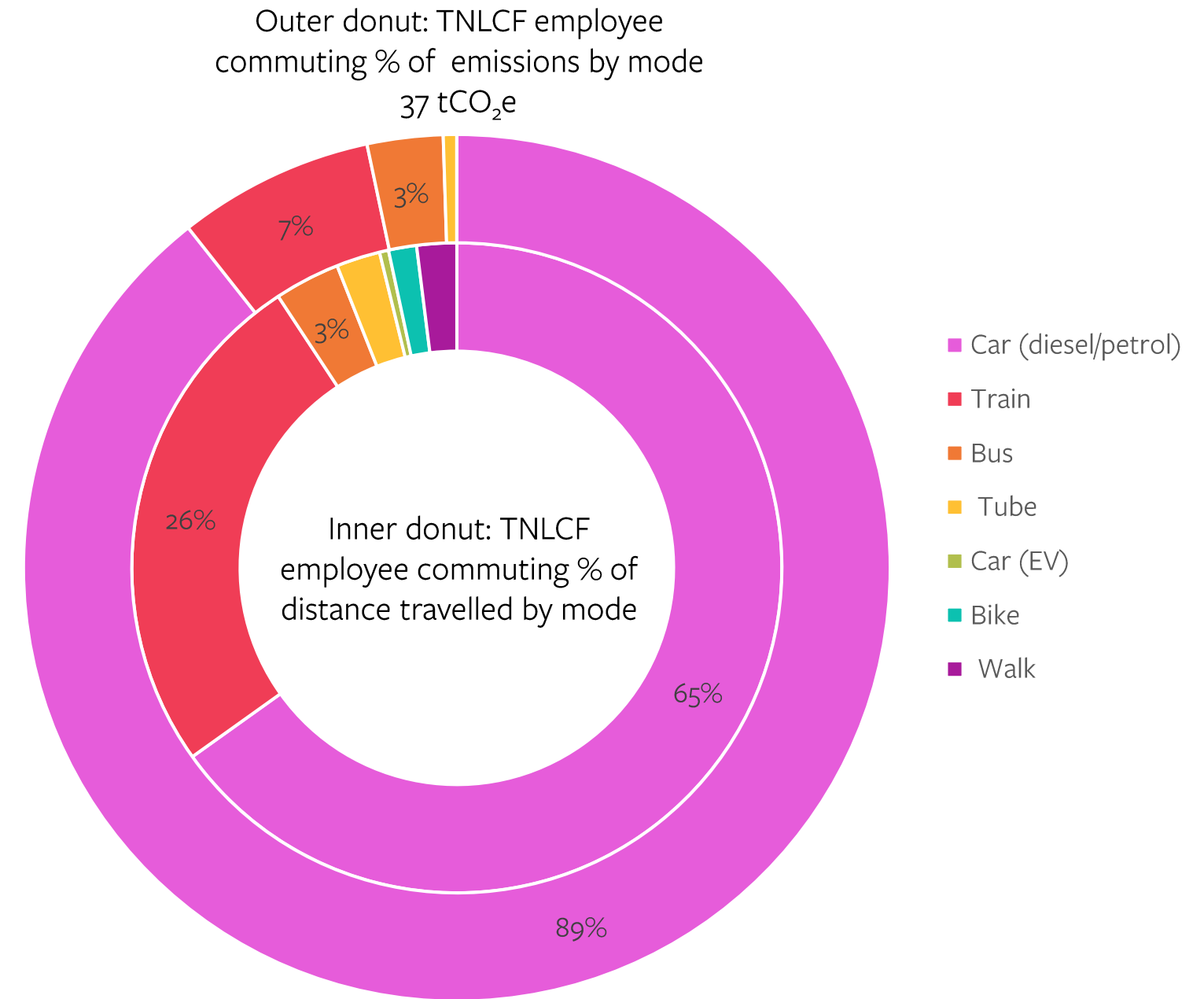
Employee commuting represents approximately 2% of TNLCF's total base year carbon footprint. This is low due to the high proportion of home working.

The employee commuting data used for FY 22/23 was based on TNLCF's first employee commuting survey completed in August 2023. The survey had 381 respondents, representing 48% of employees. See pages 19-22 for the detailed methodology.

The 'double donut' graph adjacent presents the percentage breakdown of TNLCF employee commuting in kilometres travelled by mode (inner donut) and the associated emissions per mode (outer donut).

- Commuting to work by car is the dominant form of transport for TNLCF employees at 65% of total distance commuted. It is also by far the most carbon-intensive mode of transport, contributing 89% to the total employee commuting carbon emissions. As such, incentives to encourage employees to switch from petrol/diesel cars to electric or hybrid vehicles will be included in the decarbonisation plan.
- Conversely, commuting to work by train is the second most common mode of transport at 26% of distance travelled. As it is a less carbon intensive mode of transport, it only contributes 7% of the total employee commuting carbon emissions.

It is recommended that TNLCF repeats the employee commuting survey in future years due to expected changes in ways of working and the potential increase in the proportion of hours worked in the office, building off the lessons learnt from this first iteration and using the same questions.



NLPU's Contribution to TNLCF's Base Year Emissions



Estimated NLPU emissions from purchased goods and services and business travel

The tables and graphs on this page present the estimated proportion of TNLCF's emissions that the NLPU are responsible for, within the purchased goods and services and business travel categories.

- The NLPU contributes an estimated 1.2% of the purchased goods and services emissions, or 0.7% of TNLCF's total carbon footprint.
- The NLPU contributes an estimated 2.3% of the business travel emissions, or 0.2% of TNLCF's total carbon footprint.

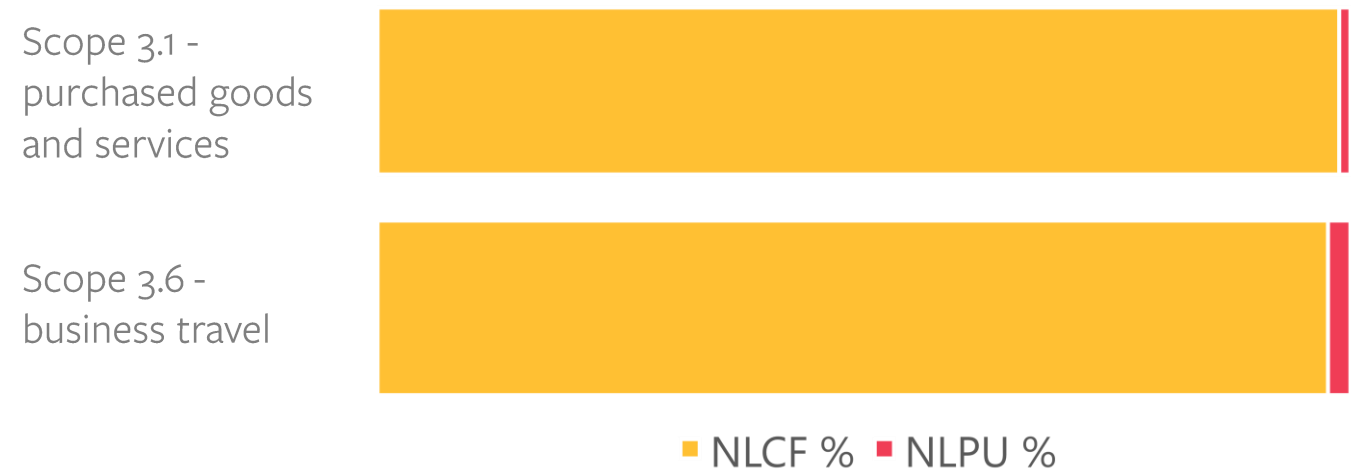
These figures are summarised in the table adjacent.

The table below compares the NLPU and TNLCF's purchased goods and services and business travel emissions per FTE at each organisation in FY 22/23.

- It is estimated that the NLPU emits almost double the business travel carbon emissions per employee relative to TNLCF.
- The purchased goods and services emissions per FTE is estimated to be very similar for each organisation.

Organisation	Purchased goods and services emissions per FTE (tCO ₂ e/FTE)	Business travel emissions per FTE (tCO ₂ e/FTE)
TNLCF	1.92	0.23
NLPU	1.76	0.44

NLPU emissions scopes	tCO ₂ e	% of scope category	% of TNLCF footprint
Scope 3.1 – purchased goods and services	17.6	1.2%	0.7%
Scope 3.6 – business travel	4.3	2.3%	0.2%



Planned Offices Changes

Changes for the next reporting year

The following office changes have been proposed for the 2023/2024 financial year:

- The Birmingham and Newcastle office space will be reduced.
- The Newcastle office will downsize to one floor from two and sublet some of the remaining space to another organisation in 2024.
- The London office is moving; the current space is closing in November 2023, and the new space is planned to open in January 2024.
- The other offices do not currently have planned reductions or location changes before the end of FY 23/24. There could be further changes as their leases end in the following financial year.

The below table summarises the proposed changes to TNLCF office spaces in FY 23/24.

Office	TNLCF current office floorspace FY 22/23 (m2)	TNLCF new property floorspace FY 23/24 (m2)	Date of lease change (dd/mm/yyyy)
Birmingham	3231	1077	01/01/2024
Newcastle	2002	1029	01/01/2024
London	438	171	01/11/2023

Potential impact on the FY 23/24 carbon footprint

These space reductions and office moves will create changes in TNLCF's carbon footprint in FY 23/24 compared to FY22/23 base year. These are considered below:

- Emissions from scope 1 and 2 will likely reduce due to the downsizing of TNLCF's office space. This includes natural gas used for heating and purchased electricity. Scope 3 emissions from building services such as waste and water may also reduce with these space reductions.
- Scope 3.13 emissions associated with downstream leased assets are expected to increase with the Newcastle office floor lease-out.
- Emissions associated with homeworking are expected to remain relatively stable as the reduction of office space is in response to current low office occupancy.
- Emissions associated with business travel, purchased goods and services, and employee commuting are not expected to change significantly as a result of these office changes.

4 / Conclusions and Next Steps

GET/SET/ZERO

This section of the report:

- *Draws out overarching conclusions*
- *Summarises next steps*

Conclusions and Next Steps

This carbon footprint base year report is intended for internal use by TNLCF. It presents the scope and context of the carbon footprint, the calculation methodology used, the TNLCF's estimated base year emissions, and the carbon hotspots. This report has provided the foundation from which targets and decarbonisation actions will be developed.

Using our Get Set Zero tools, we have estimated TNLCF's carbon footprint for the FY 22/23 using the best available data (approximately 2,240 tCO₂e). This is more accurate than previous years, as it expands both the organisational and operational boundaries to include additional scope 3 emissions categories, accounts for emissions generated in sublet areas of offices, and estimates missing office energy-use data.

The data took longer to collect than expected due to difficulties in obtaining utilities data from landlords of leased office spaces, and delays in providing procurement data. Data limitations were identified, and we have recommended improvements on pages 19 – 22.

An employee commuting survey was developed and completed, and the TNLCF sustainability team took this opportunity to add additional environmental sustainability questions to gain further insights into employee commuting behaviours. The employee commuting survey results have been provided separately.

The TNLCF's total carbon footprint has been presented. It was difficult to accurately breakdown the footprint by office due to a lack of office energy data availability. Natural gas data for FY 22/23 could only be obtained from six offices and was estimated for the remaining two offices that had gas supply. Waste data could only be obtained from the two largest TNLCF offices and was estimated for the other seven.

We were asked to breakdown the NLPU's proportion of purchased goods and services and business travel emissions, as they were anticipated to be significant. Based on the data provided, it was estimated that the NLPU have a minimal contribution to the absolute emissions in both categories. However, the NLPU's business travel emissions per FTE are almost double that of the TNLCF.

Compared to similar organisations, the TNLCF's carbon emissions per FTE is low. We believe this is likely due to the TNLCF's spend on purchased goods and services being spread across more employees than comparable organisations.

The key hotspots for action are: purchased goods and services, homeworking energy use, business travel, and office energy use.

The proposed next steps are:

- Develop short-term and long-term carbon reduction targets and associated indicative decarbonisation pathways.
- Develop decarbonisation actions that focus on the identified carbon hotspots and consider broader enabling actions that the TNLCF can take to reduce operational emissions. We will also explore carbon reduction actions that may provide social value and benefits, to align with TNLCF's overall purpose and to support a just transition.
- Produce the internal-facing carbon reduction plan that succinctly summarises the footprint, sets out decarbonisation targets, pathways, and specific actions. TNLCF will produce an external-facing report based on this content.
- Develop guidance documents covering external best practice case studies, reporting and measurement systems, and communications of net zero progress.

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