



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: Medstrom Ltd

Publication date: 31/04/2024

Commitment to achieving Net Zero

Medstrom Ltd. is committed to achieving Net Zero emissions by 2040.

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: 2022	
Additional Details relating to the Baseline Emissions calculations.	
<p>Each Scope has been broken down by Natural Gas, Fuels, Refrigerants, Electricity, Water, Business Travel and Waste. We have worked out what our carbon footprint is by inputting all our information on to a Carbon Footprint Tool we have created, for each emission.</p> <p>We began calculating our emissions effectively as of 2021, with this being our first official baseline year. By utilising the same tool and updating carbon emissions factors annually, we have been able to attribute the following values. The continued development of this tool in line with the Carbon Reduction Policy means that additional factors have been considered every year. Up to 2022, Scope 3 calculations were limited by access to the data and requirement for collating. This has now been reflected in the increased Scope 3 figures for 2023.</p> <p>Equally, improved access by working with new suppliers or services has helped us produce increasingly accurate reflections of our true Scope 1 and Scope 2 data.</p>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	696
Scope 2	194
Scope 3	321

(Included Sources)	
Total Emissions	1,213

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	669
Scope 2	216
Scope 3 (Included Sources)	430 (Additional sources versus the previous reporting year include upstream transportation, downstream transportation and additional employee commuting statistics)
Total Emissions	1,315

Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted carbon reduction targets in alignment with the NHS. Following assessment and consultancy support, Medstrom has identified that a 92% reduction in emissions is achievable by 2040, exceeding NHS targets. Further breakdown highlights this as ~70% from vehicle decarbonisation and ~20% from electrification of heating. By 2040 Medstrom will have ~93 tCO₂e residual emissions. The majority of these are expected to arise from electricity consumption and by 2050 it is expected that emissions will decline further, primarily due to ongoing grid decarbonisation.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Key areas which Medstrom has identified can be affected in line with the net zero pathway include:

- Vehicles – fleet electrification
- Business travel
- Introduction of renewables
- Buildings – heat decarbonisation and demand reduction

- Waste management

Since the previous reporting year, some of the successful projects have surrounded fleet electrification and waste management. Continuing its transition to EVs, Medstrom has now achieved a zero ICE car fleet. This is among the first of any organisation in the healthcare sector, let alone the UK to have achieved this benchmark. The continuation of the electrification of the service vehicle fleet is equally underway, with additional vehicles being implemented in relation to their payload potential, range and the associated charging infrastructure.

Additionally, Medstrom has begun working with an existing supplier to the NHS with regards to waste management. Their policy of “zero to landfill” has been instrumental in ensuring Medstrom’s waste is effectively disposed of in an environmentally friendly capacity. This new partnership has also supported greater visibility of the waste figures across the organisation.

In the future we hope to implement further measures associated with the list above, looking to adopt new technology wherever possible in line with Medstrom’s projected business growth. High uncertainty in the cost of offsetting highlights the importance of adopting an emissions-first reduction strategy, and the need to develop a robust carbon offsetting strategy that better constrains supply and costs.

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:

David Belli, Executive Chairman, Medstrom



Date: 31/04/2024

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>

