

Procurement and footprint of supply chain

APSE Big Energy Summit

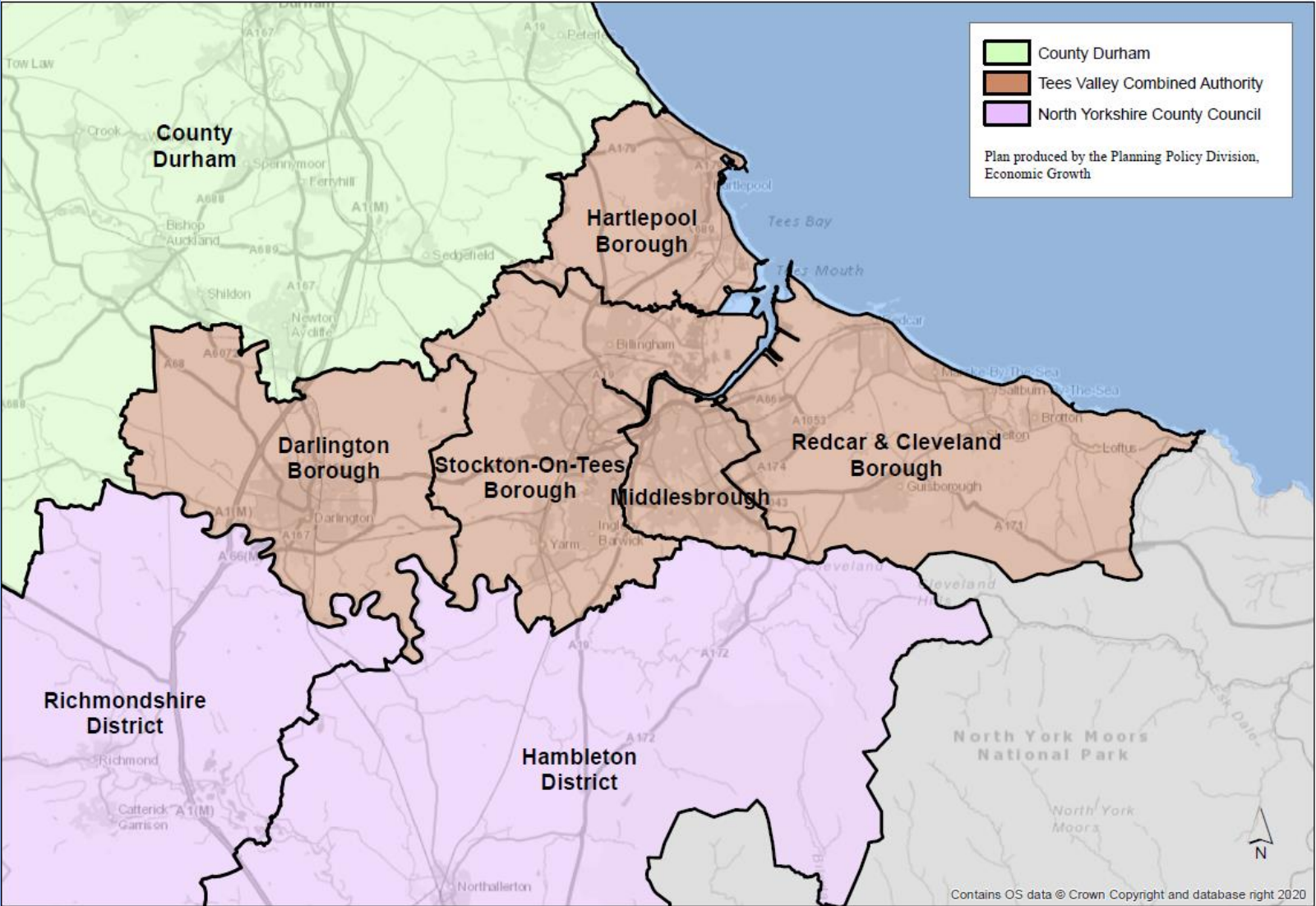
1st March 2023

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Sustainability and Climate Change Lead Officer



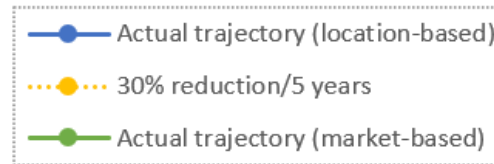
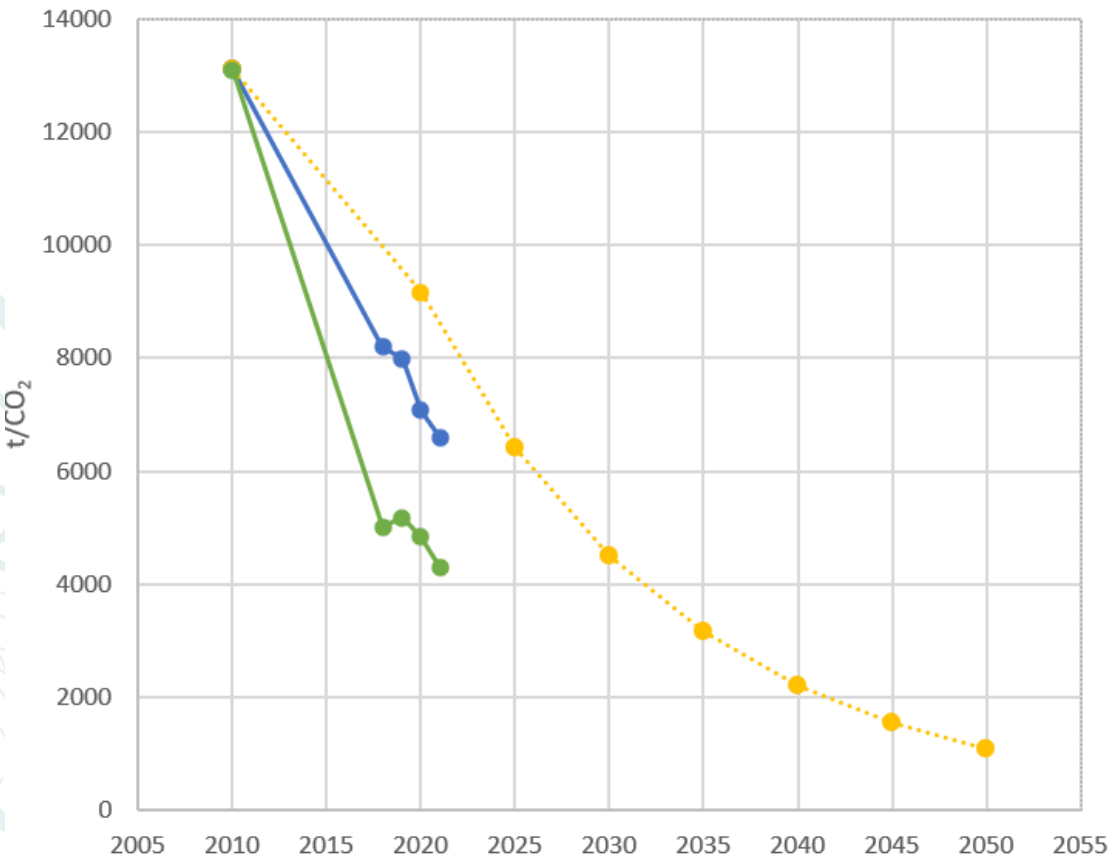
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Darlington's target

DBC emissions reduction against planned trajectory



GHG protocol & procurement

- Describe the value chain
- Data availability
- Double counting
- Determine which scope 3 categories are relevant



CO₂

CH₄

N₂O

HFCs

PFCs

SF₆

Scope 3
INDIRECT

Scope 2
INDIRECT

Scope 1
DIRECT

Scope 3
INDIRECT



purchased goods and services



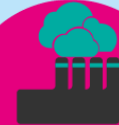
fuel & energy related activities



purchased electricity, steam, heating & cooling for own use



company facilities



processing of solid products



transportation & distribution



business travel



employee commuting



transportation & distribution



company vehicles



use of sold products



end-of-life treatment of sold products



leased assets



waste generated in operations



capital goods



leased assets



franchises



investments

Upstream activities

Reporting company

Downstream activities

Pros

- Public recognition & transparency
- Assistance setting targets & achieving reductions
- Ability to influence
- Potential for savings

Cons

- Increase trajectory
- Not direct emissions – increase pressure and expectations on us
- Data not totally sound



Approach



- Contacted by Co2Analysis
- Meetings with them and procurement
- Lists of suppliers, purchase orders and invoices



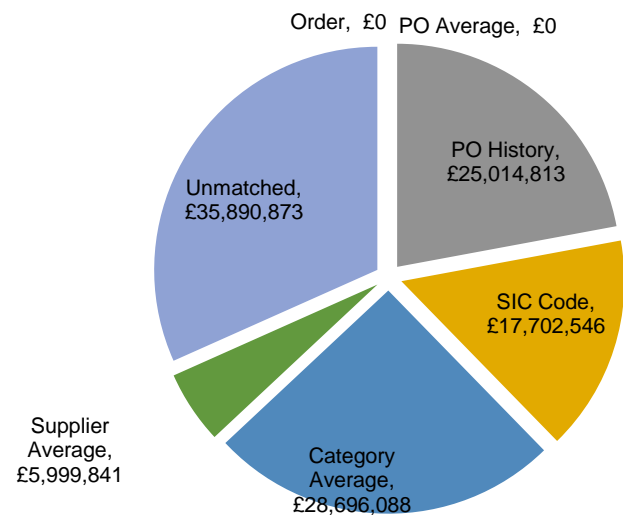
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Scope 3 Purchased goods and services – Supply chain

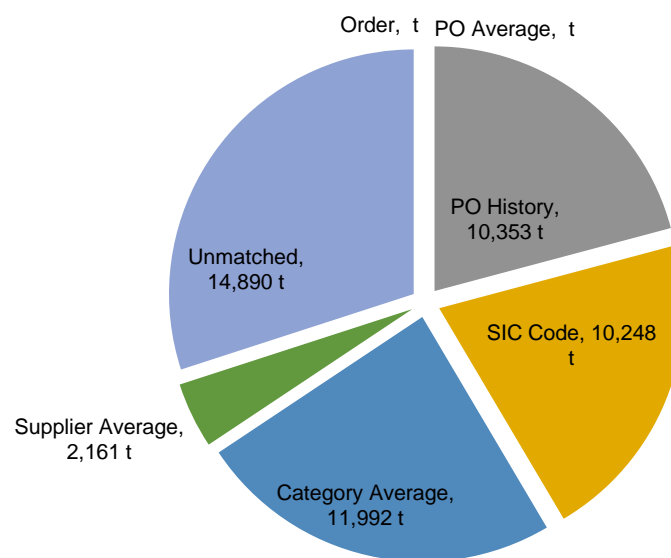
Breakdown of analysis: data.

AP analysis Method	No suppliers	PO spend	PO carbon	AP No PO spend	AP No PO Carbon	Total spend	total carbon
Order	-	£0	t	£0	t	£0	t
PO Average	-	£0	t	£0	t	£0	t
PO History	493	£0	t	£25,014,813	10,353 t	£25,014,813	10,353 t
SIC Code	245	£0	t	£17,702,546	10,248 t	£17,702,546	10,248 t
Category Average	651	£0	t	£28,696,088	11,992 t	£28,696,088	11,992 t
Supplier Average	104	£0	t	£5,999,841	2,161 t	£5,999,841	2,161 t
Unmatched	731	£0	t	£35,890,873	14,890 t	£35,890,873	14,890 t
total	2,224	£ m	t	£113 m	49,644 t	£113 m	49,644 t

Spend

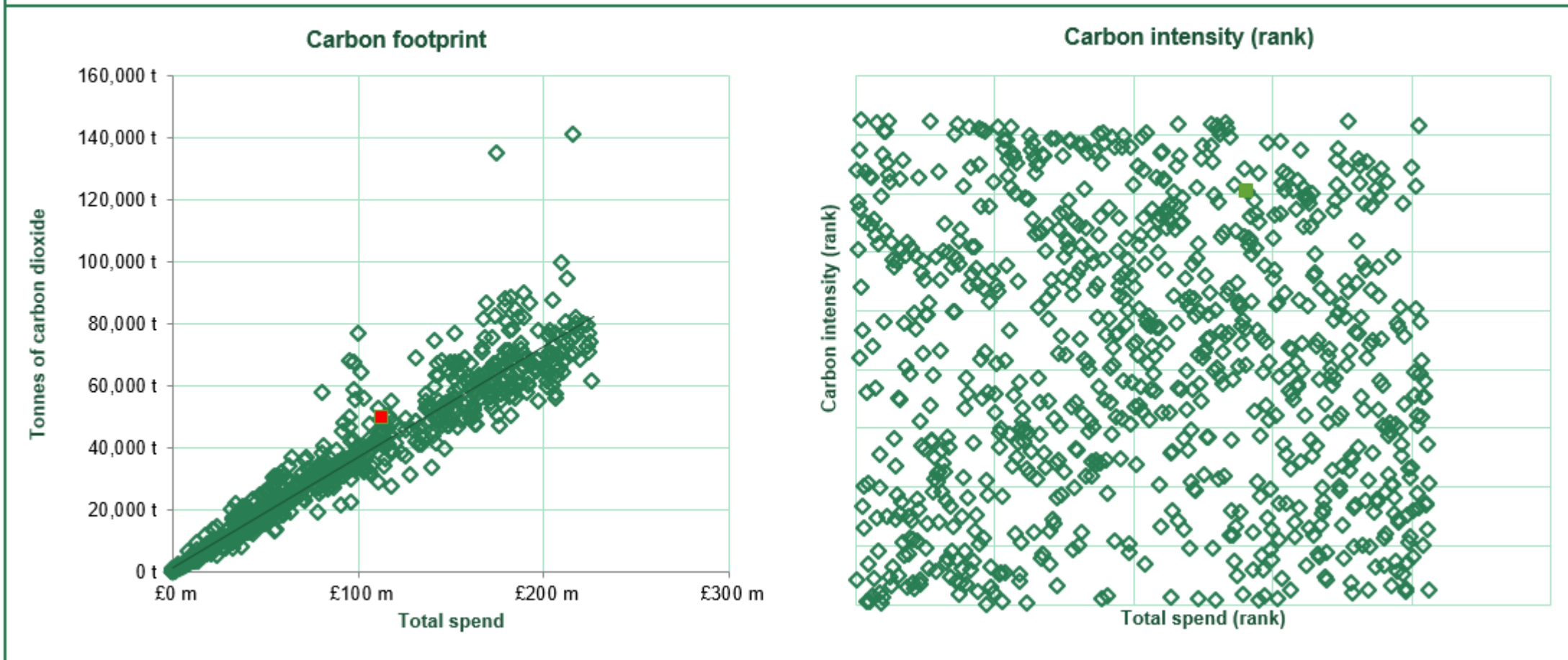


Carbon Dioxide



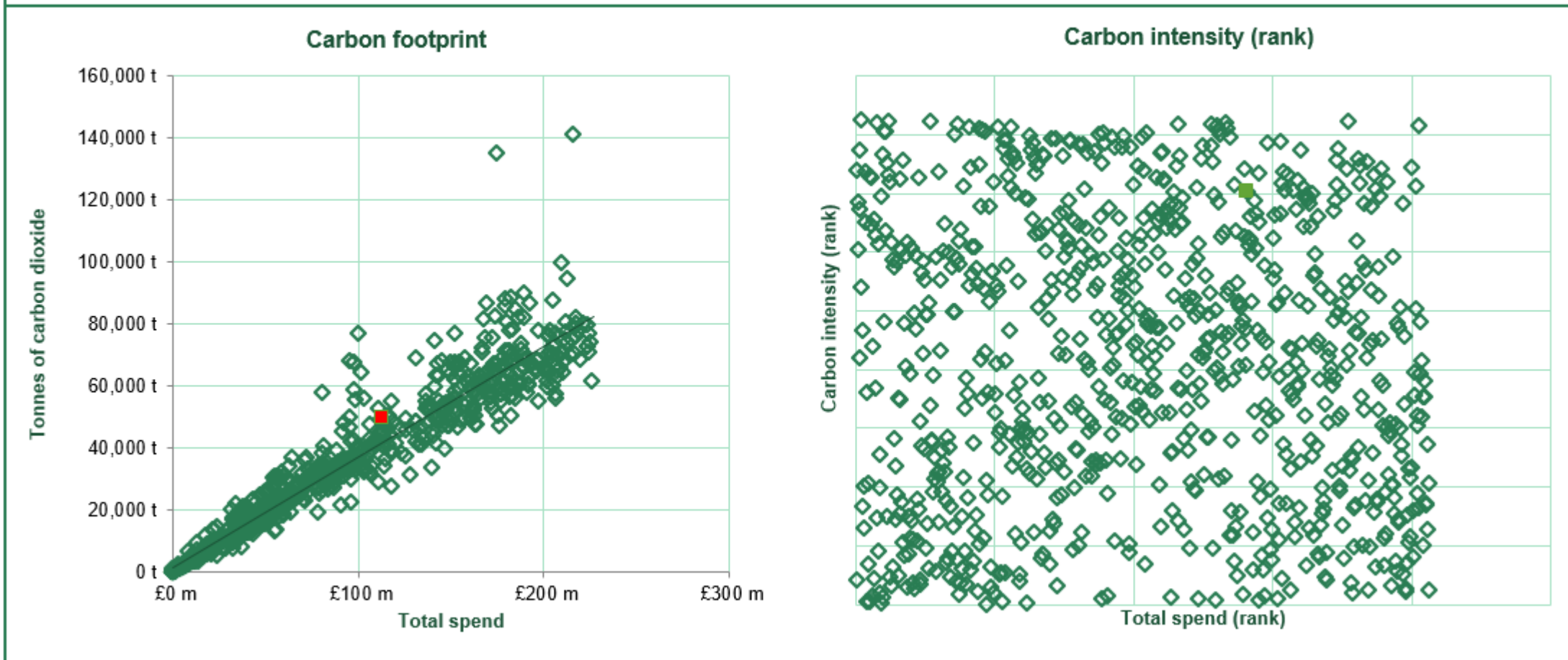
Scope 3 Purchased goods and services – Supply chain

Comparison with GreenInsight environmental benchmark.



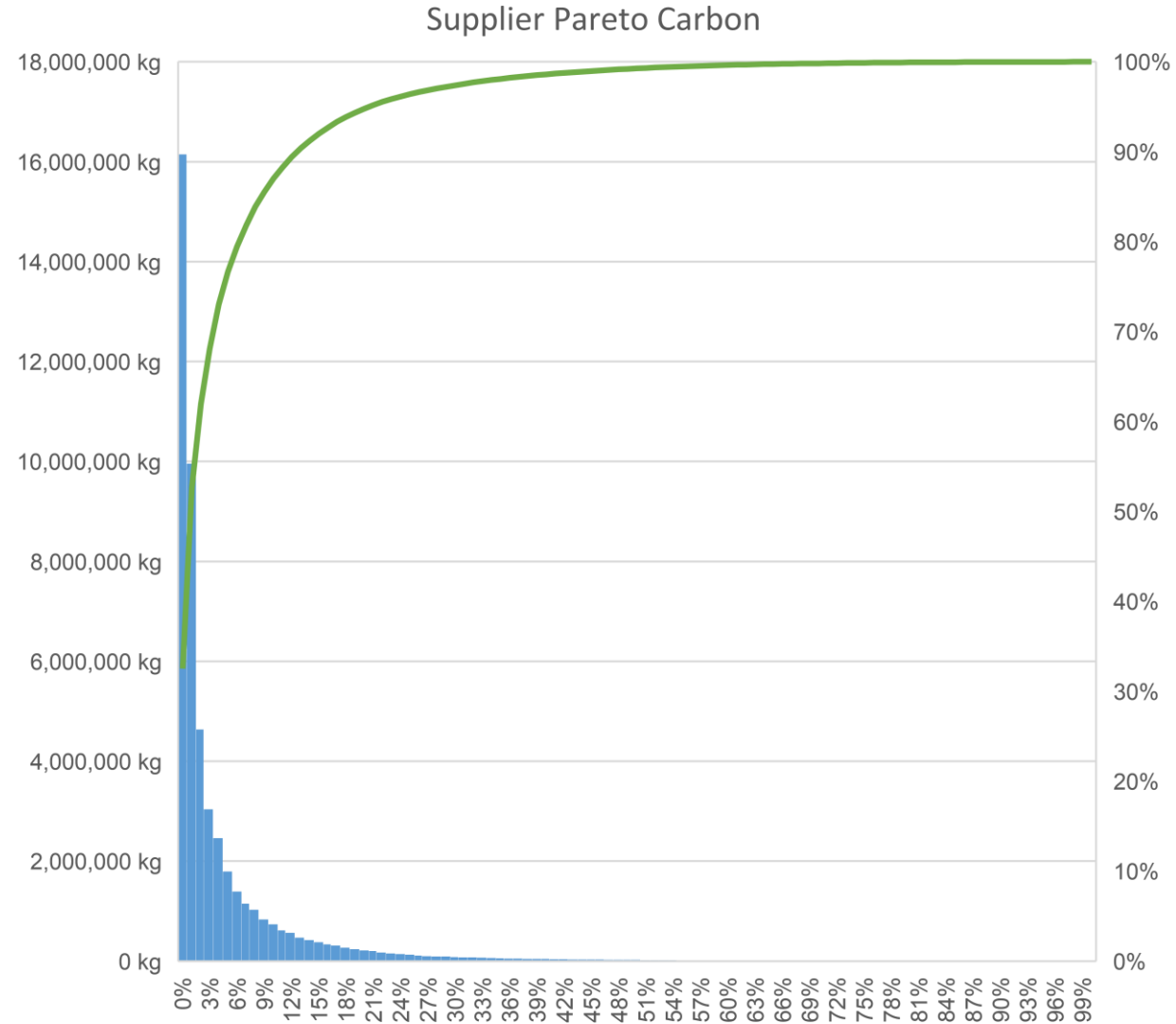
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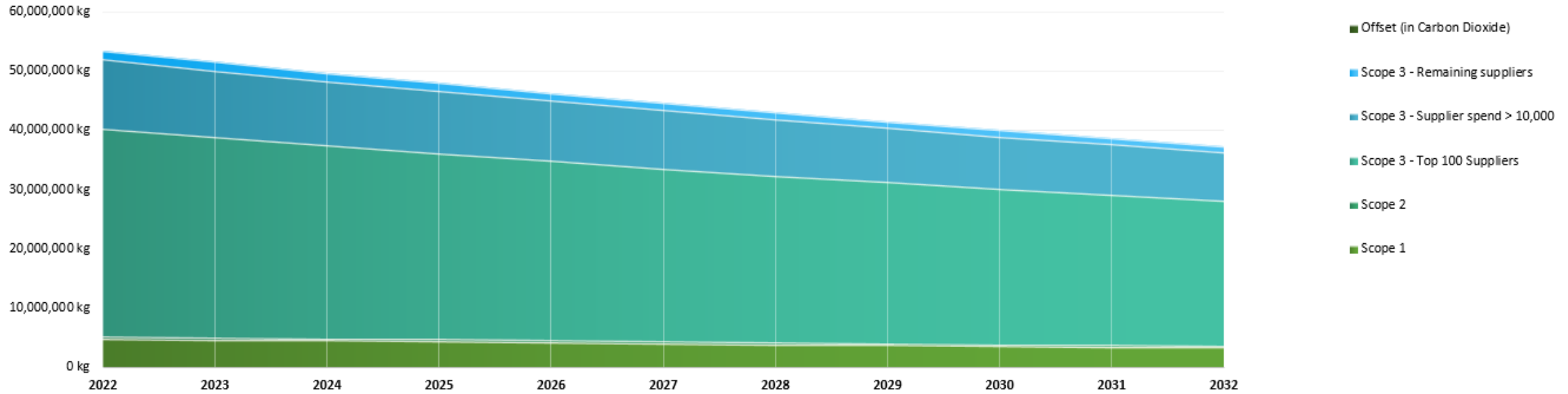
Scope 3 Purchased goods and services – Supply chain

Top X Suppliers	%Carbon
10	31%
20	43%
30	51%
40	56%
50	60%
60	64%
70	66%
80	69%
90	71%
100	73%



High level Carbon Reduction Baseline (using 2021-2 year)

High Level Carbon Reduction Plan

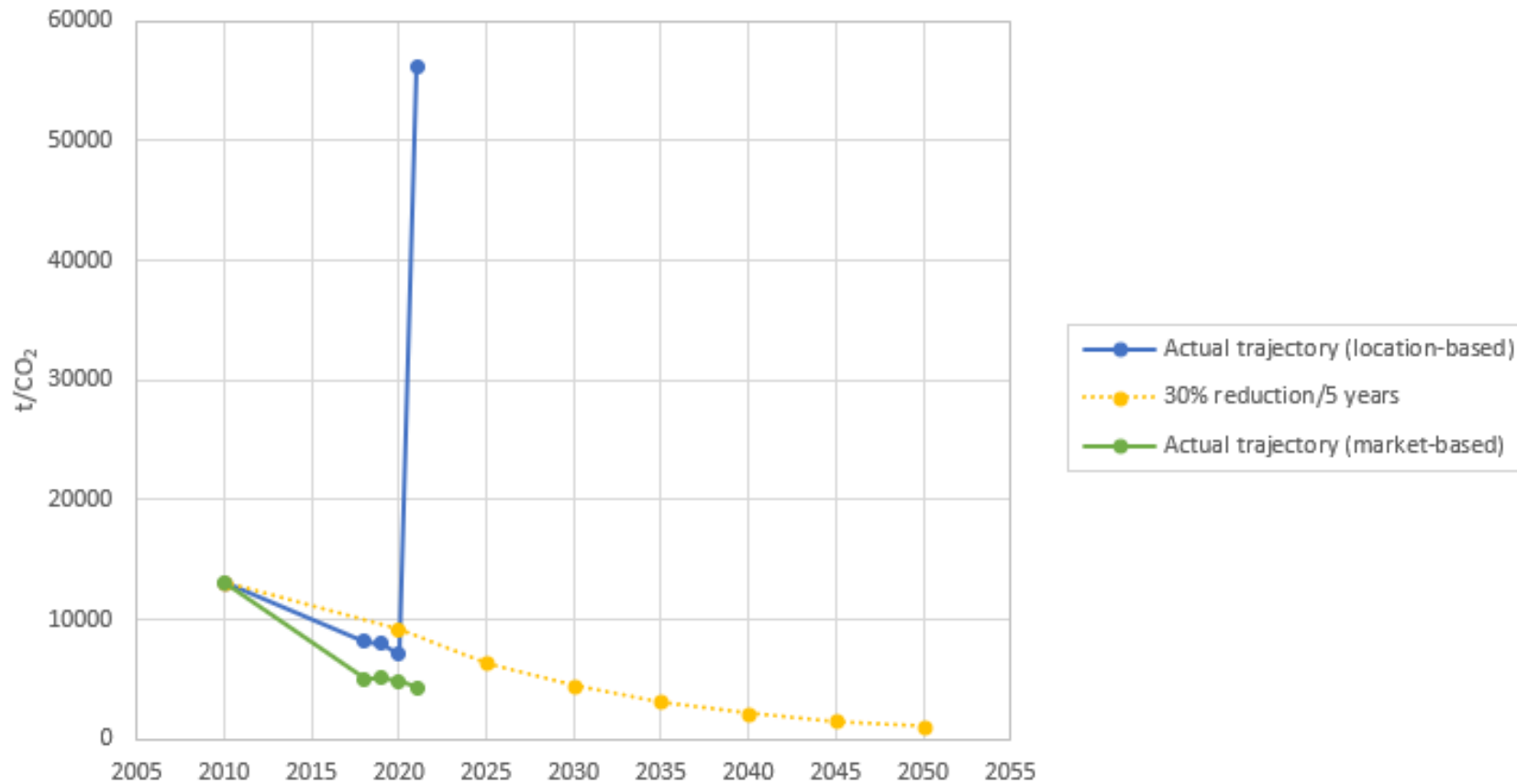


High Level Carbon Reduction Plan	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Scope 1	4,864,000 kg	4,693,760 kg	4,529,478 kg	4,370,947 kg	4,217,964 kg	4,070,335 kg	3,927,873 kg	3,790,398 kg	3,657,734 kg	3,529,713 kg	3,406,173 kg
Scope 2	458,000 kg	417,101 kg	376,517 kg	362,134 kg	343,230 kg	318,449 kg	275,299 kg	273,758 kg	246,683 kg	226,085 kg	223,666 kg
Scope 3 - Top 100 Suppliers	34,914,204 kg	33,692,207 kg	32,512,979 kg	31,375,025 kg	30,276,899 kg	29,217,208 kg	28,194,605 kg	27,207,794 kg	26,255,521 kg	25,336,578 kg	24,449,798 kg
Scope 3 - Supplier spend > 10,000	11,727,957 kg	11,317,478 kg	10,921,366 kg	10,539,119 kg	10,170,249 kg	9,814,291 kg	9,470,790 kg	9,139,313 kg	8,819,437 kg	8,510,757 kg	8,212,880 kg
Scope 3 - Remaining suppliers	1,469,621 kg	1,418,184 kg	1,368,548 kg	1,320,649 kg	1,274,426 kg	1,229,821 kg	1,186,777 kg	1,145,240 kg	1,105,157 kg	1,066,476 kg	1,029,150 kg
Scope 3 All other categories	1,270 kg	1,226 kg	1,183 kg	1,141 kg	1,101 kg	1,063 kg	1,026 kg	990 kg	955 kg	922 kg	889 kg
Offset (in Carbon Dioxide)	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg	0 kg
Total (without offset)	53,435,052 kg	51,539,955 kg	49,710,072 kg	47,969,014 kg	46,283,870 kg	44,651,166 kg	43,056,371 kg	41,557,492 kg	40,085,487 kg	38,670,531 kg	37,322,556 kg
Total	53,435,052 kg	51,539,955 kg	49,710,072 kg	47,969,014 kg	46,283,870 kg	44,651,166 kg	43,056,371 kg	41,557,492 kg	40,085,487 kg	38,670,531 kg	37,322,556 kg



Darlington's target

DBC emissions reduction against planned trajectory



Lessons learned

- Make sure you have all data before you sign the contract
- Include more people in initial discussions
- Highlights need for better data management and adequate resourcing

Next steps

- Deep dive into data to find savings
- Identify who has their own emissions reduction plans



Contacts

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<https://www.darlington.gov.uk/environment-and-planning/sustainable-darlington/>

<https://co2analysis.com/>



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