



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CLIMATE CHANGE CABINET STEERING GROUP

10 NOVEMBER 2021

UPDATE REPORT ON THE CARBON FOOTPRINT PROJECT.

REPORT OF THE DIRECTOR OF CORPORATE ESTATES IN DISCUSSION WITH THE CABINET MEMBER FOR CORPORATE SERVICES

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1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide an update to the Climate Change Cabinet Steering Group with regards to the Carbon Footprint Project to measure and understand the Carbon Footprint of Rhondda Cynon Taf Council activities for the Financial Years 2019/20 and 2020/21. It also covers the associated new Welsh Government Carbon Reporting requirements for the same two Financial years and wider aspects relating to future for achieving the longer-term Rhondda Cynon Taf Council Net Zero and Carbon Reduction commitments.

2. RECOMMENDATIONS

It is recommended that;

- 2.1 The Steering Group Members read and comment on the contents of this update report as part of the ongoing work of the Climate Change Cabinet Steering Group.
- 2.2 Following Members consideration of the Carbon Footprint Report, provide feedback to the Cabinet in support the establishment of a Corporate Decarbonisation Plan for Rhondda Cynon Taf Council to provide a clear path and defined timescales for achieving the goal of reaching Net Zero by 2030.

- 2.3 Subject to 2.2, further reports are presented to the Steering Group in 2022 providing further updates on progress.

3. REASONS FOR RECOMMENDATIONS

- 3.1 This report provides background information and an update on the current situation regarding the progress and future for the Carbon Footprint of Rhondda Cynon Taf Council's activities.
- 3.2 The establishment of a Corporate Decarbonisation Plan for Rhondda Cynon Taf Council activities will provide a clear path and defined timescales to achieving the goal for Rhondda Cynon Taf Council being net zero by 2030.

4. BACKGROUND AND UPDATE

- 4.1 In early 2021 Rhondda Cynon Taf Council employed the Carbon Trust to calculate a Carbon Footprint profile for Rhondda Cynon Taf Council's activities for the Financial Year 2019-2020, covering the impact of direct operational activities and outlining certain steps that need to be taken to help us progress to our goal of being a Carbon Neutral Council by 2030.
- 4.2 The project required input from many different departments across the Authority, and the first Phase of the 2019/20 Project was completed at the end of April. We received our Carbon Footprint 'Emissions' report from Carbon Trust which was provided as an Appendix A to a previous report to the Climate Change Cabinet Steering Group in June.
- 4.3 The full report contained a comprehensive analysis of the Rhondda Cynon Taf Council Carbon Footprint for 2019-20 and all its component parts. The Key Findings were;

*The total footprint for Rhondda Cynon Taf (RCT) during the Financial Year (FY) 2019/20 has been estimated at **105,257tCO₂e**. These emissions can be broken down into three separate scopes, according to the Greenhouse Gas Protocol:*

•Scope 1: *Direct emissions associated with the use of natural gas in buildings, fleet, fuel consumption, other fuels, and refrigerants (**17,888 tCO₂e**)*

•Scope 2: *Indirect emissions associated with purchased electricity in buildings (**6,360 tCO₂e**)*

•Scope 3: *Indirect emissions associated with the embodied emissions from procured goods and services, capital goods, employee*

commuting, business travel, upstream emissions from scope 1 and 2 activities, leased buildings, and water consumption in FY 19/20 (81,009 tCO₂e).

*The overall Net Emissions for RCT total **98,757 tCO₂e**. The GHG protocol and UK Environmental Reporting Guidelines encourage dual reporting to allow for reflection of positive carbon activity which cannot be captured within a formal, reportable Carbon Footprint. Net Emissions go beyond the scope of the anticipated Welsh Public Sector Net Zero Carbon Reporting Guide to include the avoided emissions from exported renewables and electricity purchased through REGO certified contracts.*

- 4.4 Following receipt of the Phase 1 Emissions report for 2019/20 we commenced Phase 2 of the Carbon Footprint project (also for 2019/20 data) which was focused primarily (but not exclusively) on the 63% of Emissions that were identified as being related to Procured Goods/Services and Capital Assets (Scope 3). This Phase 2 process included information and interaction with a number of Rhondda Cynon Taf Council's key suppliers and culminated with the receipt of the second 2019/20 report from the Carbon Trust on 'Insights and Recommendations' for improvement.
- 4.5 This 2019/20 Insight and Recommendations report contains commercial information from external companies and has therefore not been included as an Appendix with this report. However, the content and conclusions of the report are and will be used to guide future policy, direction, and activities in this area as part of the process of reducing Carbon Emissions on the 63% of Emissions that were identified in the 2019/20 analysis as relating to Procured Goods/Services and Capital Assets.
- 4.6 The Carbon Footprint process for 2019/20 gave us a substantially greater insight into the emissions profile and issues as we develop the plans for Rhondda Cynon Taf Council to be a Carbon Neutral Council by 2030. Following the successful receipt of the 2019/20 Carbon Footprint information it was agreed to commence a further Phase 3 of the Project to establish the Rhondda Cynon Taf Council Carbon Footprint for Financial Year 20-21 in order to measure the impact of COVID-19. This Phase 3 commenced in July with some revisions to consider the outcomes and lessons learnt from the 2019-20 exercise as well as other factors such as the new Welsh Government Carbon guidelines which had then been received very recently (see 4.6 below).

- 4.7 The Rhondda Cynon Taf Council Carbon Footprint report for Financial Year 2020/21 was finalised in late September and a copy is provided as Appendix A to this report.
- 4.8 The full report contains a comprehensive analysis of the Rhondda Cynon Taf Council Carbon Footprint for 2020/21 and all its component parts and the Key Findings were;

*The total estimated carbon footprint of RCT in FY20/21 has been calculated to be **77,359tCO2e** (locationbased1). The indirect emissions associated with the council's procured goods and services account for 35% of the overall carbon footprint. Emissions associated with capital assets make up a further 27% of total emissions. Both main categories are broadly categorised as "supply chain" from RCT scope 3 indirect emission sources. The top 4 emitting categories are:*

- Procured goods and services:27,423tCO2e(Scope3)*
- Capital assets:21,165tCO2e(Scope3)*
- Natural Gas consumption in buildings:10,869tCO2e(Scope1 and upstream scope 3 impacts)*
- Fleet energy consumption 6,704tCO2e (Scope1and upstream scope 3 impacts)*

*The overall Net Emissions for RCT are **69,811tCO2e** which accounts for the avoided emissions associated with exported renewables, market based electricity emissions (REGO certified electricity) and carbon removals from Land-based assets. The GHG protocol and UK Environmental Reporting Guidelines encouraged dual reporting to allow for reflection of positive carbon activity which cannot currently be captured within a formal, reportable GHG protocol aligned carbon footprint. Net Emissions here also go beyond the scope of the Welsh Public Sector Net Zero Carbon Reporting Guide to include the avoided emissions from exported renewables and electricity purchased through REGO certified contracts (but including removals from land-based assets).*

- 4.9 The Rhondda Cynon Taf Council Carbon Footprint report for Financial Year 2020/21 also includes comparison data and narrative with the report for Financial Year 2019/20. The includes reference to the substantial effects that the COVID-19 pandemic had on Rhondda Cynon Taf Council activities during the Financial Year 2020/21 and consequently on the Carbon Emissions resulting from those activities. The key finding with regards to the effect of the COVID-19 pandemic is summarised by;

A significant reduction in emissions can be seen between the two years which is assumed to be attributable to the cessation in a number of activities across various emission sources due to the COVID-19

pandemic. A 27% reduction in reportable gross emissions can be seen (not including Net reductions). This number increases to a 29% reduction in emissions where Net sources are included. This is primarily due to the addition of land-based asset removals which were not included in the 19/20 assessment.

- 4.10 The new Welsh Government Carbon Calculator Guidance was finally published in late May 2021. The document is very substantial and together with the accompanying calculator for formal reporting will have considerable implications for Rhondda Cynon Taf Council's future Carbon reporting obligations. The initial understanding of the Welsh Government requirement was that they would require single year reporting and this analysis was therefore built into and carried out in conjunction with the 2020/21 Carbon Footprint Phase 3 work. It was then further clarified by Welsh Government in mid-September that they would require both 2019/20 and 2020/21 to be reported by 31/10/21 and that in future years reporting would be required in June of each year for the Financial year ending in early April. Following this clarification of the Welsh Government requirements, further work was undertaken by Rhondda Cynon Taf Council and Carbon Trust to use and adjust the Carbon Footprint analysis for 19/20 into the version of the data required for Welsh Government reporting.
- 4.11 The Welsh Government Carbon reporting process uses similar principles to the Carbon Trust reports for Rhondda Cynon Taf Council's Carbon Footprints for both 2019/20 and 2020/21 but there are some significant differences, particularly with regards to the way in which the Welsh Government process measures the impact of the emissions resulting from third-party Goods and Services. The Welsh Government data analysis uses a more limited range of Emissions factors based on the year 2011 for Supply Chain emissions rather than the up-to-date Emissions factors used by Carbon Trust for this area. This element of the Welsh Government analysis process can lead to less accurate reporting for this area which is directly referenced in the Welsh Government Guidance document as below.

Emission factors for the supply chain are detailed in Table 29. It should be noted that calculation of these supply chain spend emission factors was discontinued 2011 and therefore factors will be highly uncertain due to subsequent changes to the structure and emissions intensity of the supply chain. If these factors are updated or another appropriate source of more up to date factors are made available, the recommended methodology will be updated.

4.12 The Rhondda Cynon Taf Council Carbon reporting data for Welsh Government for both years 2019/20 and 2020/21 have been initially established and were submitted to Welsh Government in late October 2021. These provisional figures for both 2019/20 and 2020/21 show similar emissions for the direct Rhondda Cynon Taf Council emissions figures calculated by the Carbon Trust exercise, but higher calculated figures for the third-party Goods and Services element of emissions. The figures recently submitted by Rhondda Cynon Taf Council are subject to Welsh Government discussion, clarification, and verification before they are finalised as part of the wider Welsh Public sector analysis that Welsh Government is coordinating.

A comparative summary of the Carbon Footprint report emissions and the Welsh Government data emissions is given below;

2019/20	WG footprint (tCO ₂ e)	CT footprint (tCO ₂ e)	% difference
Scope 1	15783	17888	-12%
Scope 2	6900	6360	8%
Scope 3 (Operational)	14032	13783	2%
Scope 3 (Supply chain)	86729	67226	22%
Removals (for carbon sequestration due to land use)	2003	N/A	N/A
Total (Reported)	125446	105257	16%
Total (Net Emissions)	117083	98757	16%

2020/21	WG footprint (tCO ₂ e)	CT footprint (tCO ₂ e)	% difference
Scope 1	12358	15127	-18%
Scope 2	5022	4625	8%
Scope 3 (Operational)	6422	8919	-28%
Scope 3 (Supply chain)	82206	48688	41%
Removals (for carbon sequestration due to land use)	2003	2003	0%
Total (Reported)	106008	77359	27%
Total (Net Emissions)	99380	69811	30%

- 4.13 A further update on the RCT Council Carbon Reporting to Welsh Government will be provided in a future report, together with a wider update on the Welsh Government Carbon Reporting programme.

5. ESTABLISHMENT OF A DECARBONISATION PLAN FOR RHONDDA CYNON TAF COUNCIL ACTIVITIES

- 5.1 Rhondda Cynon Taf Council now has a clearer view of its Carbon Footprint for the Financial Years 2019/20 and 2020/21. The Welsh Government carbon reporting process and data outcomes are subject to further discussion with Welsh Government but provide an additional level of data analysis.
- 5.2 Following the establishment of the current Rhondda Cynon Taf Carbon Footprint emissions areas this information can be used to inform the establishment of a Corporate Decarbonisation Plan for Rhondda Cynon Taf activities which will include reduction plans and timescales to guide the process successfully towards Rhondda Cynon Taf being a Carbon Neutral Council by 2030.
- 5.3 It is intended to scope, establish, and adopt a Corporate Decarbonisation Plan for Rhondda Cynon Council activities in the first part of 2022.

6. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY

- 6.1 An Equality Impact Assessment is not required with regards to this report.

7. WELSH LANGUAGE IMPLICATIONS

- 7.1 There are no immediate Welsh Language requirements with regards to this report. The document in Appendix A entitled Rhondda Cynon Taf County Borough Council Carbon Footprint 20/21 is an externally commissioned report produced by the Carbon Trust.

8. CONSULTATION / INVOLVEMENT

- 8.1 There are no consultation requirements at present with regards to this report.

9. FINANCIAL IMPLICATION(S)

- 9.1 The costs associated with the calculation of our Carbon Footprint, including those related to the engagement of the Carbon Trust are all currently funded through the relevant cost centres so there are no further financial implications aligned to this report.

10. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 10.1 There are no legal implications aligned to this report

11. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT.

- 11.1 The purpose of the report is to provide an update report relating to the progress of the Carbon Footprint project as it relates to the work of the Climate Change Cabinet Steering Group.

The future actions that arise as a result of the future recommendations of the Climate Change Cabinet Steering Group report will be considered by the Council's Cabinet and it will take full regard to the seven national wellbeing goals.

12. CONCLUSION

- 12.1 This report provides an update to the Climate Change Cabinet Steering Group with regards to the work to understand the Carbon Footprint of Rhondda Cynon Taf Council activities and how it relates to the Welsh Government reporting requirements and the wider Rhondda Cynon Taf Council Net Zero and Carbon Reduction commitments.

Appendix A

**Rhondda Cynon Taf County Borough Council Carbon Footprint 2020/21
– as produced by the Carbon Trust**