MC&R Environmental Report
2022-2023

Revised November 2024

Kei Patrick, Sustainability Officer

Intro

This report is designed to be familiar to readers of Carbon Reduction Plans required by PPN 06/21, It complies with SME Climate Hub's Disclosure Framework (and so with UNFCC's Race to Zero). [1]

Targets

We recognise that our clients will be adversely affected by climate change and therefore the needs of people and planet are intertwined. The results of climate change will affect our ability to achieve our goal for clients: safe, livable, affordable homes. [2]

We need to achieve *absolute reduction* in emissions from our core operations, and *reduced emissions intensity* for our contracted jobs.

> *Emissions intensity* is the level of greenhouse gas emissions per unit of activity. We do not aim to help fewer clients, but to cause less emissions per client helped.

The baseline year for our reporting is April 2022 to March 2023.
From this baseline, we commit to absolute reductions of our "Core" emissions: [3]

- Halving them by 2030
- Reducing them by 80% by 2038
- Bringing them to net-zero before 2050.

Our 2030 target requires us to reduce Core emissions by **3634 kgCO_2e** per year (6.25% of baseline).
We also committed to supporting our suppliers and contractors in their journeys to net zero.

Grouping our Emissions

Following the principle 'measure to reduce', we have grouped our emissions into "Core" and "Rest of Scope 3".

"Core" emissions are those we have greater control over and where we can accurately measure reductions. "Core" emissions include Scope 1 and Scope 2 emissions as well as:

- Scope 3 components of fuel and utilities.
- Business travel, which is integral to a home-visiting service.
- Employee commute, because this is strongly affected by business-travel arrangements (especially for home-visiting staff).
- Homeworking, as the complement to commuting and using office utilities.

"Rest of Scope 3" emissions are those we have limited control over or cannot accurately measure:

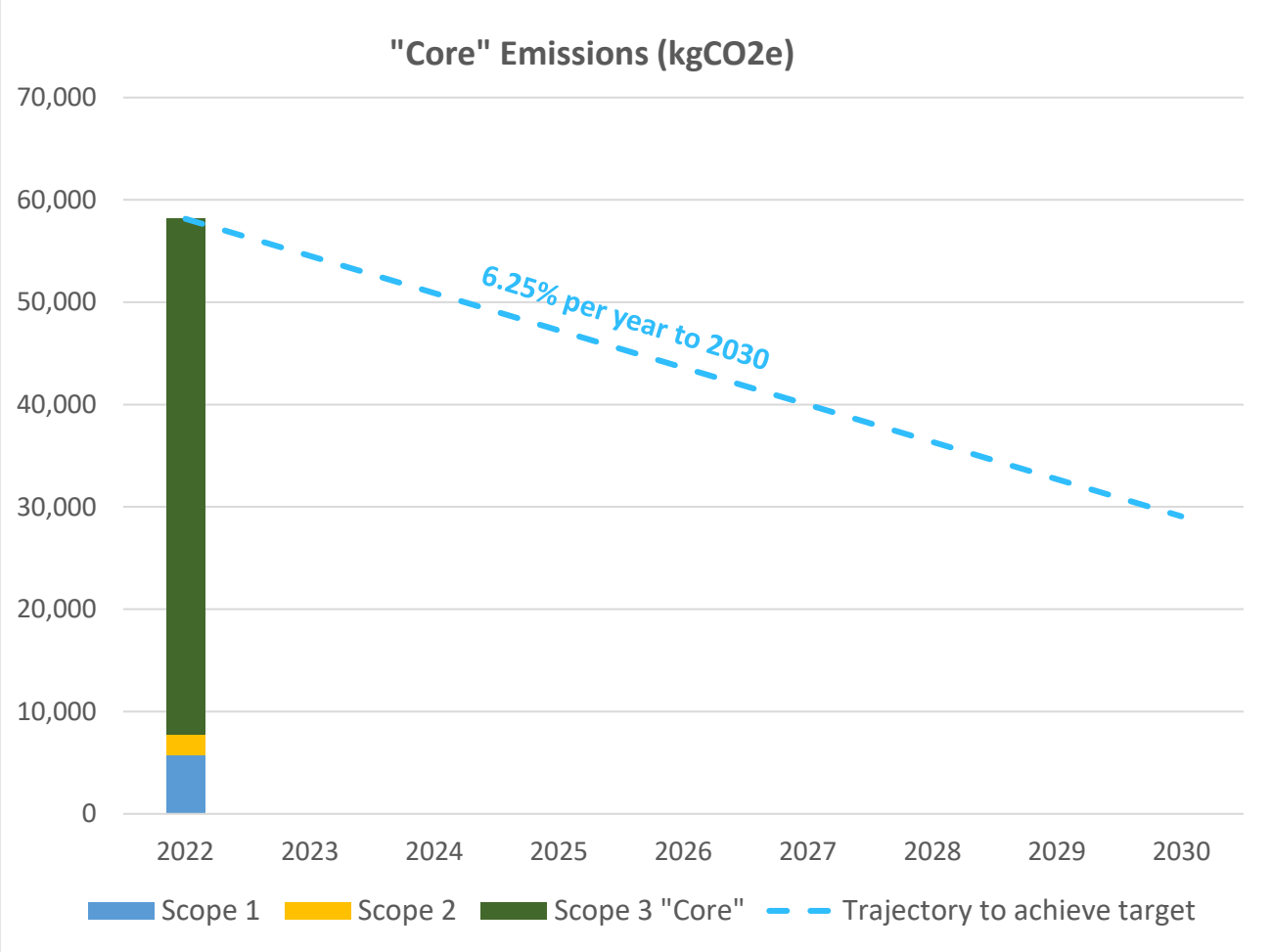
- For our baseline year (2022-23), supply chain emissions have been roughly estimated based on our expenditure, to give us a sense of their scale.
- Based on this estimate, they make up about 90% of our total emissions: 84% from jobs, 6% from goods and services for internal use (such as accounting, office maintenance, training).
- This estimate excluded emissions from waste created by jobs, investments, banking and other expenditure not recorded on Purchase Order sheets.

[1] SME Climate Hub: https://smeclimatehub.org
[2] MC&R Environmental Policy, May 2023.
[3] "Core" emissions are defined above. They include all Scope 1-2 emissions and certain categories of Scope 3.

This Year's Emissions (also our Baseline Year)

All emissions given in $kgCO_2e$. "Rest of Scope 3" emissions were estimated only in our baseline year.

Absolute Emissions	Baseline Year 2022-23	Previous Year 2021-22 (pre-baseline)	Reporting Year 2022-23	% Change from previous year
"Core" Emissions	58,151	-	58,151	-
… of which Scope 1	*5,775*	*6,142*	*5,775*	*-6%*
… of which Scope 2 [4]	*1,959*	*2,498*	*1,959*	*-21.6%*
… of which Scope 3	*50,417*	*-*	*50,417*	*-*
Rest of Scope 3	≈ 496,000	-	-	-
Grand Total	≈ 554,000	-	-	-



[4] Electricity emissions is reported using location-based method. Using a market-based method it would be 0.

Emissions Intensity

We use *emissions intensity* to compare emissions over time, accounting for growth.
Emissions intensity is our "Core" emissions divided by one of the performance indicators below. [5]

Performance Indicator	Value this year	Interpretation
FTE Staff	*30*	A stable measure of the size of our organization. (No volunteers or very few.) [6]
# of Completed Jobs	*10646*	A measure of productivity, strongly affected by smaller jobs such as handyhelp.
Expenditure in 1000s of £	*£2,120,208*	A measure of productivity, strongly affected by the price of expensive jobs. (mainly works contracted by HRST). [7]

Intensity Metric	Baseline Year 2022-23	Previous Year 2021-22	Reporting Year 2022-23	Change from previous year
"Core" $kgCO_2e$ ÷ FTE Staff	1938	-	1938	-
"Core" $kgCO_2e$ ÷ Completed jobs	5.46	-	5.46	-
"Core" $kgCO_2e$ ÷ Expenditure in £1000s	27.4	-	27.4	-

Energy Consumption

We report *energy consumption* as well as emissions to give a fuller picture of MC&R's energy use. Here, energy use in 2022-23 is compared to pre-baseline levels. In 2022-23, all the electricity MC&R purchased was renewable.

Energy Consumption (kWh, Gross CV basis for fuels)	Baseline Year 2022-23	Previous Year 2021-22	Reporting Year 2021-23	% Change from previous year
Fossil gas (office)	19,121	15,721	19,121	+21.6%
Electricity (office)	10,129	11,767	10,129	-13.9%
HfH vehicle combined consumption	10,055	unknown	10,055	
… of which Petrol (old lease vehicle)	*10,055*	unknown	*10,055*	
… of which Electricity (owned EV)	*0*	*0*	*0*	-

[5] NB: MC&R's "Core" emissions account for MC&R's role in administrating grants or loans for contracted works, not emissions from contractors themselves. See above: 'Grouping our Emissions'.
[6] Average number of staff for the year, calculated on the basis of full-time equivalents (37 hours per week).
[7] Included for funders who prefer a financial measure. Note that contracted works make up nearly half of MC&R's expenditure, but the numerator does not consider emissions from contracted works (which we cannot accurately measure). See above: 'Grouping our Emissions'.

Detailed Breakdown and Priorities

Our baseline year for reporting is April 2022 to March 23.

Scope	Emissions source	Brief explanation	kgCO2e	% of Core	% of Total
Scope 1	Fossil gas combustion	MC&R office boiler.	3490	6.0%	0.6%
Scope 1	Fugitive emissions	Refrigerants for water cooler. [8]	-	-	-
Scope 1	HfH vehicle ('Fleet' emissions)	Petrol combustion in HfH leased vehicle.	2284	3.9%	0.4%
Scope 2	Electricity (location-based)	MC&R office supply.	1959	3.4%	0.4%
Scope 2	*Electricity (market-based)*	*MC&R office supply.*[9]	*0*	*0.0%*	0.0%
Scope 3 "Core"	Fossil gas: S3 components	Well-to-tank emissions from supplying MC&R office.	595	1.0%	0.1%
Scope 3 "Core"	Electricity: S3 components	Well-to-tank and transmission-and-distribution emissions from supplying MC&R office.	513	0.9%	0.1%
Scope 3 "Core"	Water	MC&R office supply & treatment.	40	0.1%	0.0%
Scope 3 "Core"	HfH vehicle: S3 components	Well-to-tank emissions from supplying fuel.	648	1.1%	0.1%
Scope 3 "Core"	Waste disposal	MC&R office waste (both recycled and residual waste)	176	0.3%	0.0%
Scope 3 "Core"	Business travel (grey fleet) *	Home visits and other business travel in vehicles not owned or leased by MC&R. (Usually claimed as MAPs.)	21361	36.7%	3.9%
Scope 3 "Core"	Commute *	For home-visiting staff, this is all work-related travel except business travel. (Usually: everything that can't be claimed as MAPs.)	24810	42.7%	4.5%
Scope 3 "Core"	Homeworking	Emissions from incremental heating and powering a work station on wfh days. [11]	2274	3.9%	0.4%
"Rest of Scope 3" ‡	Supply chain: Internal uses	Purchased goods and services for 'Core' and 'IT' expenditure, training, accountants fees and so on. (Rough estimate.)	≈ 33155	-	6.0%
"Rest of Scope 3" ‡	Supply chain: Jobs	Purchased goods and services for jobs on clients' homes. (Rough estimate.)	≈ 462802	-	83.5%
"Rest of Scope 3" ‡	Cloud services [13]	Our use of cloud-based services. (Rough estimate.)	≈ 106	-	0.0%
"Rest of Scope 3" ‡	Waste from jobs	Not measured.	-	-	-
"Rest of Scope 3" ‡	Investments, Banking, Pensions	Not measured.	-	-	-

[8] Supplier (AquAid) unable to provide information as to whether our water cooler uses F-gases.

[9] *We buy 100% renewable electricity from SSE.*

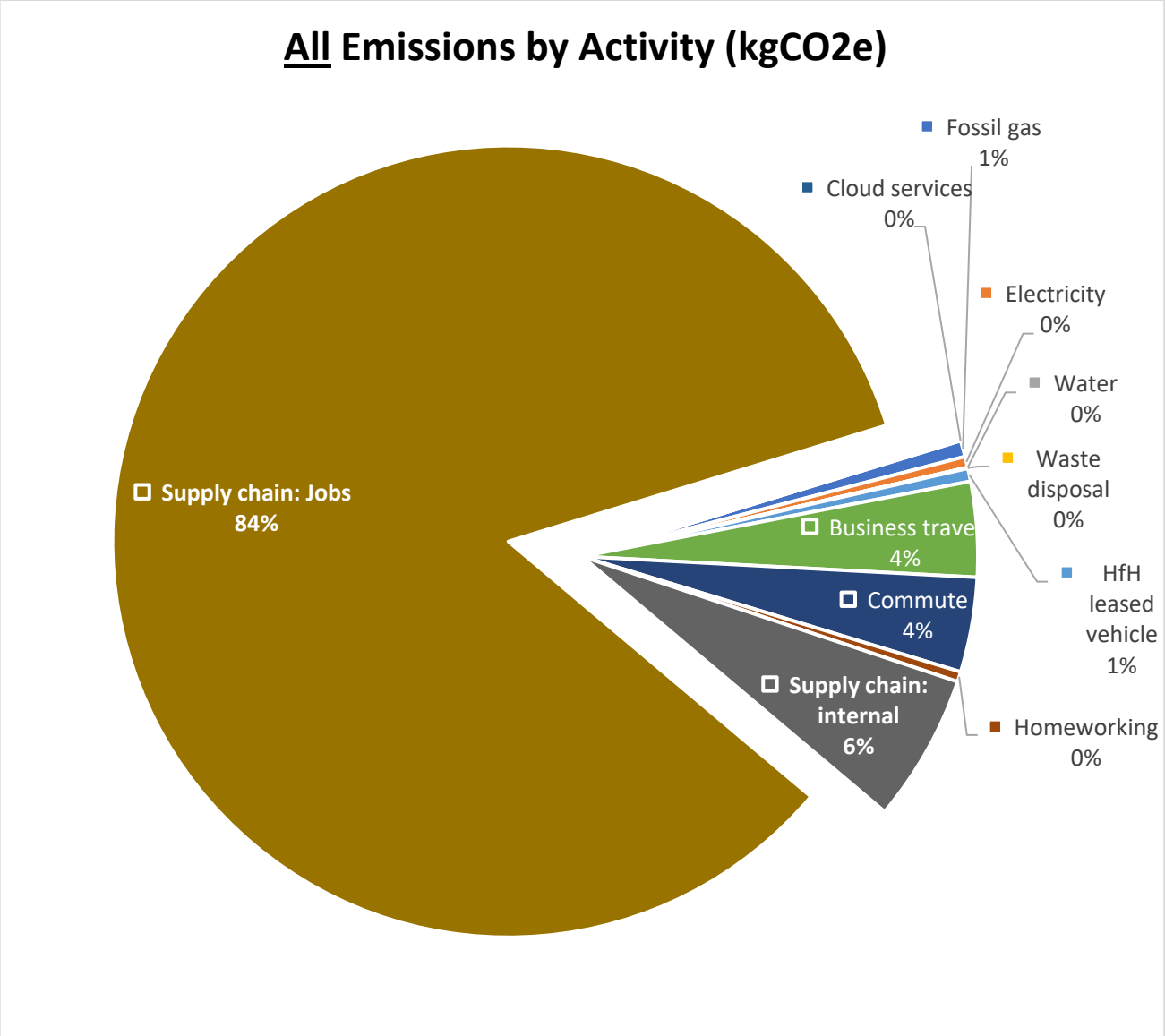
* Including the Scope 3 conversion factor for WTT.

[11] Includes factors for WTT and TDD of electricity/gas used in staff homes. Calculated using 'Base case' methodology from the Eco Act white paper.

‡ "Rest of Scope 3" are rough estimates for priority setting, and will not be calculated every year. Based on £ spend, using the 2020 'UK Footprint Results' from Leeds University.

[13] From Microsoft 365 Emissions Dashboard "Microsoft estimates emissions from its datacenters using a market-based method, and allocates [to MC&R] based on use of features."

All Emissions



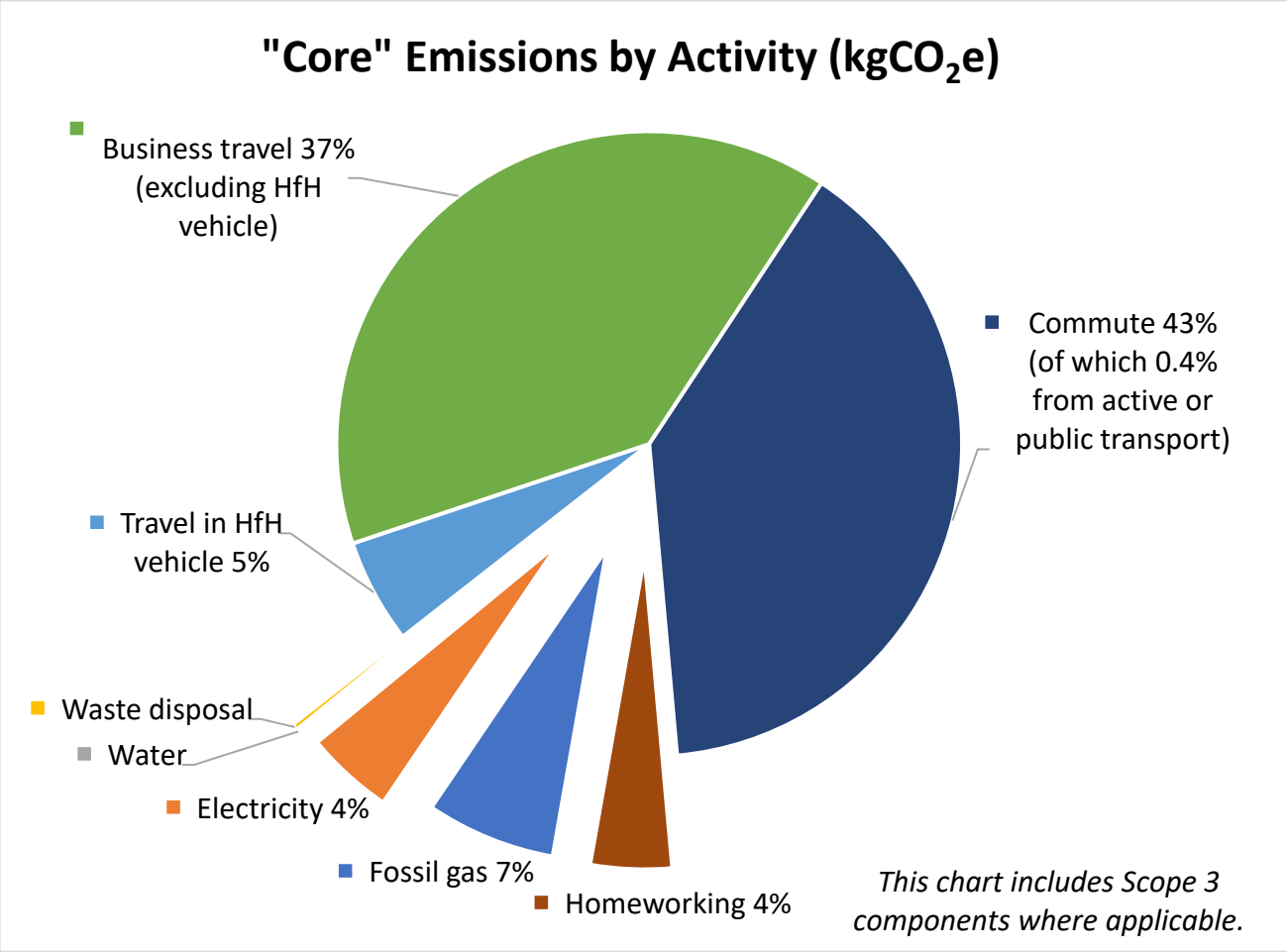
Upstream emissions from purchased goods and services (our 'supply chain') should be a priority.

- "Supply chain" emissions are *not* covered by our commitments/targets, because:
  - We have less control over them.
  - We have no data specific to our contractors, which makes it hard to set realistic targets or measure our progress.
- But these activities cause **90% of our total emissions**: we should prioritise reducing them where possible.
- **84% are emissions from jobs**, mostly for contracted works. We have little influence over the national supply chain, but many of our contractors are smaller than us: we should support them to reduce their emissions.

Our "Rest of Scope 3" emissions are useful for priority setting, but will not be calculated each year.

Core Emissions

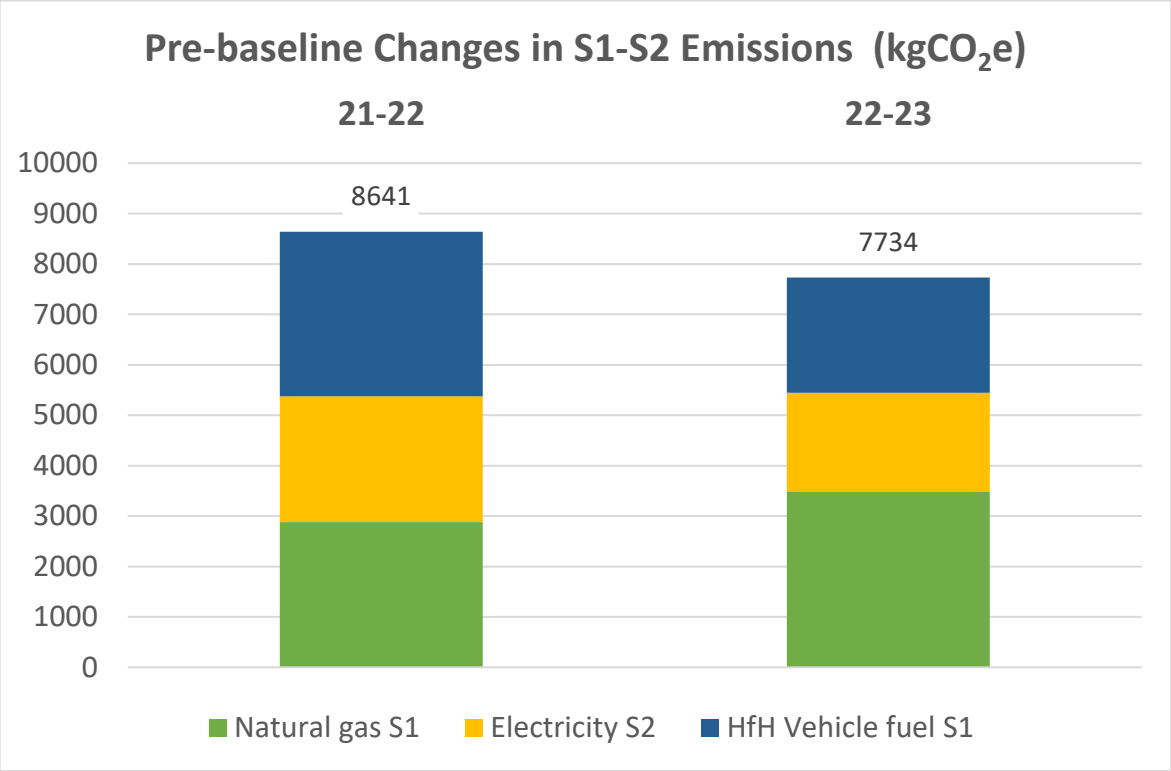
Now let's look at the "Core" emissions, which our targets refer to.



Key points:

- "Core" emissions are only 10% of total emissions, but are caused directly by the work-related activities of MC&R staff.
- Travel is the biggest category of our "Core" emissions at 84%. If we're going to halve our emissions by 2030, we have to significantly reduce travel emissions.

Pre-Baseline changes: comparing 22-23 with 21-22



From 21-22 to 22-23, our Scope 1 and 2 emissions decreased by 907 kgCO_2e (11%). [14]

- Of this, **317 kgCO_2e** (4%) was due to efficiency projects in the office which saved 1638 kWh electricity. [15]
- (This does not count towards achieving our targets, because our baseline year is 2022-23.)

Although our absolute emissions reduced, there was only a small reduction in emissions *intensity*: [16]

- The reduction in HfH fuel use corresponds to the reduction in service days: we used 30% less fuel in 21-22 and served 30% less clients.[17]
- Use of fossil gas actually increased, despite energy saving measures towards the end of 22-23.

[14] A reduction of 907 kgCO_2e (S1-2), or 2393 kgCO_2e including the Scope 3 WTT and T&D factors.
[15] Including the Scope 3 conversion factors for T&D and WTT.
[16] *Emissions intensity* = Emissions (kg CO2e) ÷ Business metric (e.g. turnover or outputs).
Intensity metrics describe an organization's CO2e emissions in the context of another business metric. In this way, the emissions are normalized to account for growth. Emissions intensity per unit of revenue is one the most common and easy means to calculate emissions intensity.
[17] The number of clients served went down from 3263 in 21-22 to 2284 in 22-23. In both years, the HfH vehicle emitted 2.1 kgCO_2e for each client served.

Projects to Reduce Emissions

Projects Completed in 2022-2023

To reduce our greenhouse gases we began with 'quick wins', focussing on resource efficiency in our office. These completed projects correspond to the 'Action and Impact' section of the SME Climate Hub's *Disclosure Framework*.

Initiative Type	Description	Date of Changes	Resulting Emissions Reduction and % of baseline "Core" emissions.	Actions for future
Building energy efficiency (electricity)	Installed LED lighting with timers and sensors. Replaced local servers with efficient cloud-based service. Reduced office equipment on standby, leased more efficient printers. Installed SMETS2 metre for half-hourly data.	May to Nov 2022	**557 kgCO_2e annually** projected **(1% of "Core" baseline)**, of which 137 is Scope 3. We achieved a reduction of 45kWh electricity per week (20% reduction of usage), despite an increase in office-based staff.	Analyse half-hourly data from SMETS2 meter to spot 'leaks', viewed on energy supplier's platform Clarity. Prepare for increased temperatures by installing efficient cooling methods such as ceiling fans.
Building energy efficiency (fossil gas)	Boiler: new thermostat and controls, changed flow temperature. Installed thermal blinds on office windows. Set up AMR meter for half-hourly data.	Jan to March 2023	**??? kgCO_2e / year** [18]	Improve data by analysing half-hourly data from AMR meter and accessing energy supplier's platform Clarity. Adjust boiler settings accordingly.
Waste management (office waste)	Sorting more of our office waste for recycling with Emerge, a local not-for-profit that supports GM Fare Share. Reducing general waste collections.	Feb to March 2023	**Very small reduction in S3** (Previous year not measured.)	Purchase recycled paper.

[18] Not enough historical data to estimate impact of interventions. In 22-23 our use of fossil gas increased from 15721 kWh gross CV (3369 kgCO_2e) to 16985 kWh (3629 kgCO_2e).

	Recycling batteries for staff.			

Ambitions for 2023-24 and beyond

We recognise that 76% of our "Core" emissions come from staff travel, and the vast majority (88%) of our *total* emissions are upstream emissions from contracted works. These will only be reduced through innovation and investment and by engaging with staff and contractors.
To build our capacity to do tackle these emissions, we have:

- Inaugurated bi-monthly 'Green Team' meetings attended by managers, where staff from every project raise sustainability issues and solutions.
- Hired a Sustainability intern to establish reporting progresses, consult on electric vehicles with home-visiting staff and set future priorities.
- Worked with Manchester Metropolitan University to set long-term goals for decarbonising our contracted works.
- Developed a partnership with Carbon Co-op, a Community Benefit Society working in retrofit.

The following are suggestions for achieving our targets.

Initiative Type	**Description**	**Emission Sources Affected**	**Barriers, Solutions and Next Steps**
Business travel and employee commuting	Install EV chargepoint for office supply. Switch HfH lease vehicle to an electric vehicle (EV). Pilot leasing an electric pool vehicle. Support staff to switch their own vehicles to EVs. Engage with current staff about active transport and public transport, and integrate into induction processes.	**85% of "Core" emissions**: HfH travel (5%), other business travel (37%), employee commute (43%).	Barrier: commercial landlord may block installation of charge points, preferring to install their own and charge higher rates. Next step: negotiate with landlord or look into 'neighbourhood'/'community' charging' schemes. Barriers: electric vehicles are expensive to lease or purchase despite being cheaper to run. Solution: seek funding to purchase pool EVs (capital purchase).

Behaviour change, Supply chain engagement	Develop Carbon Literacy training suitable for small contractors; support contractors in becoming carbon literate.	**84% of total emissions**: upstream emissions from works contracted and goods purchased for clients' homes.	Barrier: no Carbon Literacy training currently available for small contractors in construction and maintenance. Next steps: engage with contractors to develop a suitable training. Barrier: limited staff time for engaging with contractors, limited incentives for contractors to attend training. Next steps: seek industry support?
Behaviour change	Become a Carbon-Literate organisation.	**All emissions** affected in some way through ripple effect.	Barrier: staff need time allocated to pursue sustainability projects and solutions once trained. Next steps: commit to ongoing investment (of staff/manager time) in sustainable innovation.
Financial	Understand environmental impact of banking, investments, insurance and pension scheme, with a view to reducing.	**Not measured, potentially very large.**	Barriers: lack of information on what secure, sustainable, ethical looks like? Next steps: seek advice from a program like Make My Money Matter. Then: develop a shortlist of financial products to include on next Treasury Management Review.
Building energy efficiency, Energy generation	Install additional energy-saving and energy-generating technology such as double-glazed windows, roof insulation, solar panels.	**11% of "Core"** emissions: office use of electricity and fossil gas.	Barrier: commercial landlord, BizSpace, requires deposit for any building changes. The risk of restitution charges or rent increases prevent us from investing in sustainable technology.

		Also affects feasibility of reducing business travel emissions with electric vehicles.	Solution: landlord could waive right to restitution for agreed works, or make their own modifications. Next steps: negotiate with commercial landlord or change premises.
Resource efficiency (water)	Review office water use and water equipment.	**0.1% of "Core"** emissions: office water.	Information: United Utilities offers general advice for businesses and an incentive scheme rewarding reductions.
Waste management (waste from jobs)	Reduce waste from HHSO jobs. Establish procedures to recycle metals, bulbs and EE waste. Engage with contractors about waste disposal.	**Not estimated**	Next steps: Sustainability intern to meet with HHSOs create map

Document Information

Last updated: 13.11.2024.
Version 2 revisions: Added table for energy consumption. Adjusted baseline (added commute emissions from all HfH employees, corrected gas usage).
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Signed by:

Alice Mason

Alice Mason, Chief Executive Officer