

Sharing information on greenhouse gas emissions from council own estate and operations: Frequently asked questions

Updated April 2014

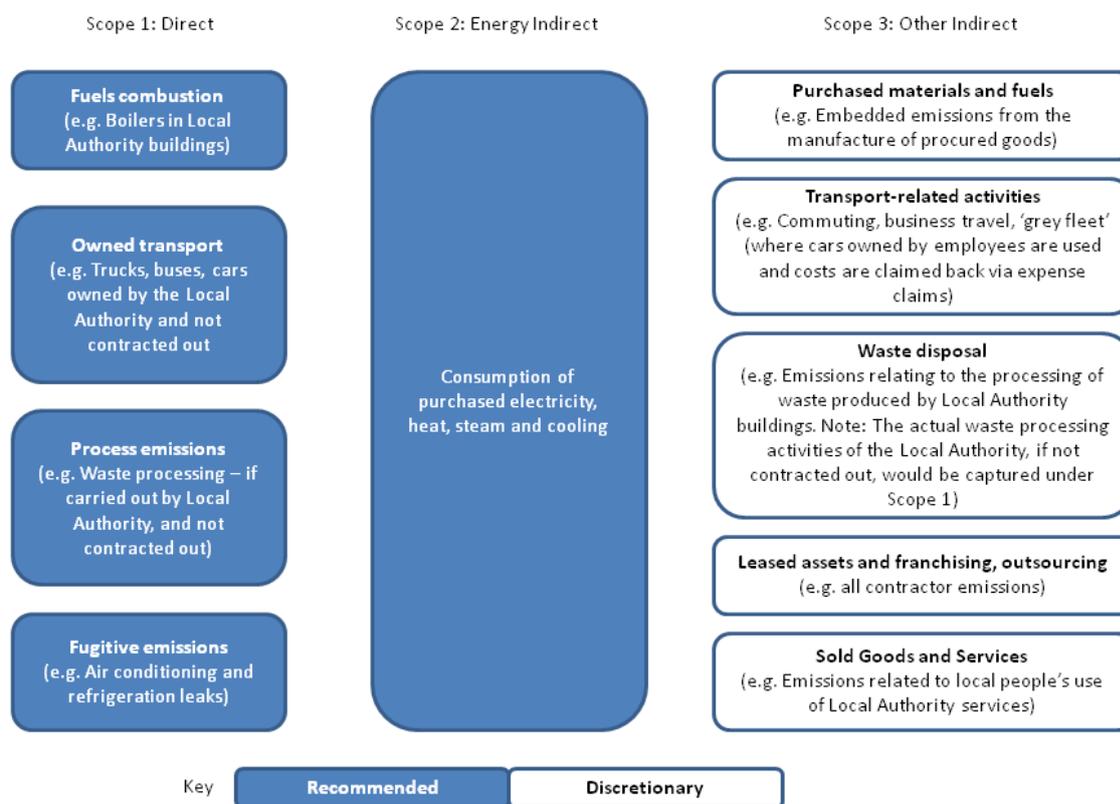
Data to be included in a Local Authority's GHG report

Which emissions fall under which Scope?

The diagram overleaf outlines the three Scopes. Broadly,

- Scope 1 (Direct emissions) Activities owned or controlled by your organisation that release emissions straight into the atmosphere. Examples of scope 1 emissions include emissions from combustion in owned or controlled boilers, owned or controlled vehicles.
- Scope 2 (Energy indirect) Emissions being released into the atmosphere associated with the consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of your organisation's activities but which occur at sources you do not own or control. The most common type of Scope 2 emission is electricity purchased for own consumption from the National Grid or a third party.
- **Scope 3** (other indirect) Emissions are **discretionary** to include that are a consequence of your actions, which occur at sources which you do not own or control and which are not classified as scope 2 emissions. Examples of scope 3 emissions include business travel not owned or controlled by your organisation (eg. use of public transport), commuting, use of 'grey fleet' (i.e. use of employees' own cars for which fuel costs are claimed back via expenses), emissions from contractors, and supply chain procurement.

The following diagram identifies the main types of emissions sources under each scope for Local Authorities:



The Defra guidance at <https://www.gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses> and conversion factors available at <http://www.ukconversionfactorscarbonsmart.co.uk/> are helpful in deciding which type of emission falls under each Scope heading as these are shown at the top of the total columns.

In some instances, it may be difficult to identify whether emissions should be categorised as Scope 1 or Scope 3 emissions. For example, this may be because your emissions sources come from outsourced activities, leased assets or tenanted buildings. For more detailed guidance on emissions from leased assets please refer to http://www.ghgprotocol.org/files/ghgp/tools/Appendix_F_Leased_Assets.pdf.

What should be included in the Local Authority's GHG report?

DECC is not imposing exact instructions on what should be included in the report as DECC recognises that some Local Authorities will be best placed to report more information than others. Instead, DECC is asking Local Authorities to follow the UK guidance on how to measure and report greenhouse gas emissions which is aligned to international guidance on greenhouse gas reporting – the GHG Protocol. Reporting of Scope 1 and Scope 2 emissions (see above for definition) is recommended, but **Scope 3** emission reporting is **discretionary**.

It is important to be transparent when producing a GHG report so that it is obvious which emissions are included in the report and which are not. Precise definitions of inclusions and exclusions are important to state, especially if services provided by a

Local Authority vary from year to year, so that local people draw the correct conclusions for emissions increasing or decreasing.

How do I calculate emissions figures? Will DECC be providing a bespoke spreadsheet?

DECC has not provided a bespoke spreadsheet for calculating emissions figures as the Defra conversion factor tool at <http://www.ukconversionfactorscarbonsmart.co.uk/> provides a straightforward basis for authorities to create their own.

While the tool is designed to be self-explanatory, if you need further specific advice there are a number of organisations active in carbon reporting which you might want to approach. A list of bodies is available at <https://www.gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses> under “Further support”.

Please note Defra are no longer providing free advice as in previous years and the previous e-mail ghgreporting@defra.gsi.gov.uk should no longer be used.

Which year’s emissions factors should be used?

For the 2013-14 exercise the 2013 factors should be used. The Defra tool (at <http://www.ukconversionfactorscarbonsmart.co.uk/>) makes the conversion factors easy to navigate and use. The ‘What’s new’ tab explains the most recent changes, including those relating to the need to rebaseline historic electricity data using the factors representative of the time period in question e.g:

2009-10 figures	2009
2010-11 figures	2010
2011-12 figures	2011
2012-13 figures	2012
2013-14 figures	2013

In most cases authorities will already have done this as far as 2012-13 in their 2012-13 reports. The 2013 factors should only be used for 2013-14 figures.

How can biofuels be recorded?

See the “outside of scopes” page on the conversions factors tool at <http://www.ukconversionfactorscarbonsmart.co.uk/>.

Should data from schools and social housing be included in the report?

The organisational boundary for the GHG Report is something for each Local Authority to decide – DECC would stress the need to make the organisational boundary transparent so it is clear whether data from schools has been included or excluded. DECC would recommend that financial control reporting is most

appropriate for Local Authorities to set their organisational boundary, but this is a recommendation only and LAs are free to decide how they set their boundary. If schools and social housing data is included, you may decide to have a dedicated sub-section of the report for each school and social housing area, which can then be totalled in a summary report.

What about academies?

As above, DECC would recommend that financial control reporting is most appropriate for local authorities to set their organisational boundary, which would mean that academies are outside the scope of this reporting, but this is a recommendation only and LAs are free to decide how they set their boundary.

Should contractor emissions and commuting data be included?

Contractor emissions and commuting emissions fall under Scope 3 so are discretionary to include.

We haven't collected fugitive emissions (i.e. emissions from air conditioning etc) and would see it as not cost effective to collect – does this need to be included?

Fugitive emissions from the use of refrigeration or air conditioning equipment owned or controlled by the reporting organisation would normally fall under Scope 1, and should ideally be included.

However, the guidance recognises that it may not be possible for an organisation to measure and report all emissions. Where it is not possible, an organisation should disclose and justify any specific exclusions of activities which are not covered.

What about emissions from use of water and waste disposal and processing?

Emissions from the use of water and waste disposal both fall under Scope 3 so are discretionary to include – though councils may wish to note that the Defra conversion factors have some useful factors for estimating emissions should they wish to include them.

Waste processing, however, falls under Scope 1 and should be reported – unless it is contracted out when it falls into Scope 3. Local Authorities are free to state their own significance threshold for scope 3 emissions and further details are included in the UK guidance. What DECC would stress is that Local Authorities are transparent about what data is included in their report and what has been excluded and the reason why exclusions have occurred.

Can I record offset credits purchased by my Local Authority?

Offset credits, as well as green tariff electricity, can be recorded as a reduction from the gross emissions to make 'net emissions' as long as any purchases meet the criteria set out in **Annex G of the Defra/DECC Guidance**.

DECC, however, will be collating only gross emissions (totals for Scope 1, Scope 2 and Scope 3) and therefore offset credits purchased will not be taken into account.

Publication of the GHG report

How and where should the report be published?

DECC is requesting that each Local Authority publishes its own GHG report locally on its own website, and that as a minimum the standard template in Annex I of the guidance be used, so that totals in CO₂e for Scope 1, Scope 2 and Scope 3 are obvious. This is to support the localism agenda by ensuring that local authorities are accountable to their local people for their greenhouse gas emissions.

Local Authorities can include any other data they wish to in the report and are free to combine the data as part of the Local Authorities' financial report or any other publication if they choose to do so. Local Authorities are also free to combine upper and lower tier authority data in the same report, or across a range of local authorities that are working together to reduce emissions. DECC only requests that it is made transparent in any combined report which emissions comes from which authority and that the combined report is available on each authority's website.

LAs can also provide tonnes of CO₂ as well as CO₂e figures if they wish, as long as tonnes of CO₂e totals for Scopes 1, Scope 2 and Scope 3 are obvious.

When should the data be published?

The data should be published by the end of July each year.

DECC requested that data for both 2009/10 and 2010/11 financial years was published by the end of July 2011. For subsequent years, DECC requested that data be published by the end of July the following year (i.e. 2011/12 data by end of July 2012; 2012/13 data by the end of July 2013 and 2013/14 data by the end of July 2014).

DECC recommends that data should be published in Financial Years (April to March) rather than Calendar Years.

What data does DECC intend to collect?

DECC is planning to collate the total figures for each Local Authority for their Scope 1, Scope 2 and Scope 3 (if reported) emissions in tonnes of carbon dioxide equivalent (CO₂e) covering all greenhouse gas emissions – so that the total figures for all LAs are available in one place. DECC also intends to collect a short description of what a Local Authority has included and excluded in their report, so it is important to make this obvious and transparent.

Therefore DECC requests that once each Local Authority has published its local GHG report by the end of July the following information is emailed to local.carbon@decc.gsi.gov.uk:

- A website link (URL) to their GHG report, which contains totals for Scope 1, Scope 2 and Scope 3 emissions in tonnes of CO₂e;
- A contact email address for any enquiries about the figures (this will not be published);
- A short description detailing what is within the scope of the report and any specific exclusions – so that this description can be published on the DECC website alongside the data.

If Scope 3 is discretionary and LAs have flexibility about what they include in their organisation boundary, will Local Authority GHG reports be comparable?

All organisations will be different and direct comparisons will not be possible – though broad comparisons can be made if all organisations follow the GHG Protocol principles and lessons can be shared between similar Local Authorities.

It is more important therefore that a Local Authority is compared year-by-year against itself. DECC is looking to collate all headline data for Scope 1, Scope 2 and Scope 3 emissions together so they are available in one place and will take steps to ensure that these are presented in a way that highlights the inherent inability to directly compare one authority to the next.

Can DECC provide an intensity factor (also known as a normalisation metric) for Local Authorities?

DECC is happy to suggest that Local Authorities might want to use an intensity factor for their GHG report, such as tonnes of carbon dioxide equivalent (tCO₂e) per employee (tCO₂e/employee) or tCO₂e per revenue (tCO₂e/revenue).

However, this is a suggestion only, and DECC will only collect this if it is provided on the Local Authorities report as part of the description about what is included and excluded.

The guidance at <https://www.gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses> provides further details of intensity factors in Annex F.

Which year should be set as the baseline?

This is for the Local Authority to decide.

Should the data be audited?

This is for the Local Authority to decide. It is however recognised that verification or audit of GHG data will help to give users more confidence in the accuracy and

completeness of the information provided. DECC would like Local Authorities to be confident in the figures they put in their GHG report, but will not be providing a quality control service.

The Carbon Trust Standard (CTS) and the Carbon Reduction Commitment (CRC)

We are already accredited under the Carbon Trust Standard (or equivalent scheme which also follows the GHG Protocol) – do we need to provide a separate report?

DECC is not providing a bespoke calculation spreadsheet for the creation of GHG reports as we recognise that many Local Authorities will already collect data they need through other data collection processes. If you are already accredited under the Carbon Trust Standard or a similar scheme that follows the GHG Protocol, then there is no need to produce a duplicate report – you can either publish your CTS (or equivalent) report or a summary of it (showing the totals for Scope 1, Scope 2 and the Scope 3 emissions that CTS covers) to be compliant with DECC's request for Local Authorities to produce a GHG report.¹

The CTS is an early action metric for the CRC. Other early action metrics (described as equivalent to the CTS) can also be utilised as long as these follow the GHG Protocol and totals for Scope 1, Scope 2 and Scope 3 emissions are available.

Many Local Authorities fall under the CRC Energy Efficiency Scheme – isn't DECC's request for LAs to produce a GHG report a duplication?

DECC is not providing a bespoke calculation spreadsheet for the creation of GHG reports as we recognise that many Local Authorities will already collect some of the data they need through other data collection processes, such as the CRC. The raw data being collected for compliance with the CRC can be utilised for the GHG report.

There are some technical differences between the CRC and a GHG report, such as

- that the CRC is in CO₂ only, whereas a GHG report would be in CO₂e – i.e. all greenhouse gases
- under the CRC onsite renewables are reported in the same way as grid electricity (to encourage energy efficiency), whereas the GHG report treats onsite renewables as zero emissions.
- electricity and energy consumption figures are needed for CRC (i.e. all of Scope 2, but only part of Scope 1)², whereas all Scope 1 and 2 (including owned transport, fugitive and process emissions) are needed for the GHG report.

¹ The Carbon Trust Standard has two levels of report. Level 2 is more comprehensive and covers all Scope 1 and 2 emissions, as well as part of Scope 3. Level 1 does not cover all of Scope 1 (leaving out fugitive and process emissions) but as long as it is transparent what is included and excluded, either level report would be compliant with the new process. On the CTS spreadsheet you'll need to click the 'full version' to view all Scope 1 and 2 emissions categories.

² However, leased assets in the CRC may be considered Scope 1 or Scope 3 under GHG reporting depending on whether financial or operational control is chosen.

The Defra conversion factors available at <https://www.gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses> provide a straightforward conversion from raw data (in kWh, litres, miles etc) into both CO₂ and CO₂e, so you are able to obtain the right data by reading from the appropriate column.

CRC factors however are fixed (which is important for electricity as the carbon intensity of electricity changes over time).

Resource constraints and localism

How does DECC's request fit with the decentralisation and localism agenda of the Coalition?

DECC's request supports actions 5 and 6 of the Coalition's decentralisation and localism guide published by DCLG in December 2010. Action 5 is opening up government to public scrutiny and action 6 is ensuring government is held to account by local people. By asking Local Authorities to publish GHG reports locally, DECC is looking to make LAs more accountable to their local people who can scrutinise their performance in reducing emissions.

Given the current economic climate is it reasonable for DECC to make a request to Local Authorities?

Firstly, this is not a new request as it is a direct successor to the former National Indicator 185, and DECC has taken steps to reduce the burden on Local Authorities for reporting as DECC recognises the resource constraints that many Local Authorities have.

These steps are:

- **Less data to collect:** Under NI 185, DECC requested that LAs provide a large inventory of CO₂ emissions including emissions from own electricity and gas use, own transport, business travel, grey fleet (i.e. transport owned by employees which costs are claimed back via expenses) and contractors. Under the new proposal, the Defra/DECC guidance recommends that Scope 1 and 2 is collated and reported which covers own fuel consumption, own electricity use, own transport and any process and fugitive emissions. **Scope 3 reporting (which includes business travel, grey fleet, contractors, supply chain emissions) is discretionary** and therefore LAs do not have to collect this - although it is best practice to do so.
- **Flexibility to use existing sources of data:** Under NI 185, DECC requested that LAs fill in a bespoke spreadsheet. Under the new proposal, DECC has not provided a bespoke calculation tool, so that LAs who are subject to the CRC Energy Efficiency Scheme or who have taken part voluntarily in the Carbon Trust Standard or similar schemes, can use those existing reports as the basis for their greenhouse gas report. **The Carbon Trust Standard is fully compliant with the new proposal – so for those LAs that have applied for it no further action is necessary (other than publication of**

their CTS report). The Carbon Trust Standard is an early action metric for the CRC and many LAs will have applied for it. The CRC does not cover own transport, process or fugitive emissions – but these can be added to the CRC data. The data collected for Display Energy Certificates (DECs) can also be used as a basis for the report, which most LAs will have collated anyway.

- **Less data to report:** Under NI 185, DECC asked for all the information to be supplied, line-by-line for each building and each type of vehicle the Local Authority used. Under the new proposal, **DECC is only requesting that the high-level data is provided** (i.e. the totals for Scope 1, Scope 2 and Scope 3). This should make it even more straightforward for existing sources of data to be used.

DECC believes it continues to be crucial that steps are taken to reduce emissions across the economy in order to meet the ambitious targets set out in the Climate Change Act 2008.

Is producing a GHG report a statutory requirement?

Producing a GHG report is not a statutory requirement, but it does form part of the DCLG single data list at <https://www.gov.uk/government/policies/making-local-councils-more-transparent-and-accountable-to-local-people/supporting-pages/single-data-list> which sets out all of the data requirements that central government has of local government – and so is expected to be reported.

What are the sanctions for not producing a GHG report?

Any sanction for not providing data requested on the DCLG single data list is likely to be reputational, as DECC's collation of Local Authority data into one place will make it obvious which Local Authorities have not complied with the requirement.