

PUBLIC BOARD
THURSDAY 27 JULY 2023 AT 2.30pm
Sustainability Annual Report

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| Presented for: | Information/ Assurance |
| Presented by: | (Blue Box paper) |
| Author: | Chris Kelly, Associate Director - Estates Compliance & Risk Matthew Greenhill, Sustainability Manager |
| Previous Committees: | F&P Committee: 28/06/23 |

| Our Annual Commitments for 2023/24 are: | |
|--|---|
| Effectively develop and deploy new assets (buildings, equipment, IT) | ✓ |
| Reduce healthcare associated infections | ✓ |
| Deliver the financial plan | ✓ |
| Support a culture of research | ✓ |

| Risk Appetite Framework | | | | |
|--------------------------------|------------|---|------------------------------|----------------|
| Level 1 Risk | (✓) | Level 2 Risks | (Risk Appetite Scale) | Impact |
| Operational Risk | ✓ | Business Continuity Risk - We will develop and maintain stable and resilient services, operating to consistently high levels of performance. | Cautious | Moving Towards |
| Clinical Risk | ✓ | Patient Safety & Outcomes Risk - We will provide high quality services to patients and manage risks that could limit the ability to achieve safe and effective care for our patients. | Minimal | Moving Towards |
| Financial Risk | ✓ | Change Risk - We will deliver change aligned to the Trust's strategy on time and to budget with benefits achieved and no significant adverse impacts, focussing on the delivery of large-scale capital developments and waste reduction programmes. | Cautious | Moving Towards |
| External Risk | ✓ | Regulatory Risk - We will comply with or exceed all regulations, retain its CQC registration and always operate within the law. | Averse | Moving Towards |

| Key points | Reason for report |
|--|--------------------------|
| The Leeds Teaching Hospitals NHS Trust (LTHT) has a target to achieve net-zero carbon emissions for its direct emissions by 2040 and for its indirect emissions by 2045. In doing so, the Trust aims to become one of the greenest Trusts in the UK. This report provides an overview of the progress the Trust is making towards these targets. | Information/ Assurance |

1. Summary

This report is intended to provide information/ assurance on the Trust's progress towards achieving its net-zero targets and becoming one of the greenest Trusts in the UK. No specific action/s are required from the Board other than to continue to provide support to the Trust in achieving these objectives through the implementation of its Green Plan and Estates Decarbonisation Strategy, which this report will help to inform.

2. Background and Progress

The intensive use of energy, resources, and supply chains makes the healthcare industry one of the most carbon intensive sectors in the world. The NHS is a significant contributor to the carbon emissions of the UK, making up around 5% of the country's carbon footprint. Carbon emissions are exacerbating the impacts of climate change which is driving negative impacts on health.

In 2020, the NHS established its aim to become the world's first net-zero National Health Service. To achieve this, the NHS has established two targets:

- For the emissions the NHS control directly (the NHS Carbon Footprint), reach net zero by 2040, with an 80% reduction from our baseline year by 2032.
- For the emissions the NHS can influence (the NHS Carbon Footprint Plus), reach net zero by 2045, with an 80% reduction from our baseline year by 2039.

LTHT adopted these targets in 2020 upon the publication of our first Green Plan which was updated in 2022 and establishes our strategic objectives for sustainability, in line with national guidance, over the next 3 years. Our Sustainable Action Plan sits behind the Green Plan and details the actions to be taken by the Trust throughout the 3-year period of the strategy, including actions pertaining to the engagement of our workforce, sustainable care models, estates and facilities, and other themes. Some of the actions that have been taken and achievements that have been made since the publication of our Green Plan include:

- Improving the biodiversity across the estate by maintaining grass and wildflower areas, planting over 1,100 trees, and developing a healing garden for our staff.
- Winning the Green Surgery Challenge for sustainable practice in laparoscopic appendectomy.
- Introducing the Attend Anywhere software to enable patients to attend appointments remotely.
- Moving to a digital online patient record system.
- Phasing out the use of Desflurane for anaesthesia in theatres.
- Training staff across estates and facilities, procurement, and theatres in Carbon Literacy and becoming the first Carbon Literate NHS Teaching Hospital Trust.
- Refurbishing the combined heat and power (CHP) units.
- Signing the NHS plastic reduction pledge.
- Converting all general waste into energy and ensuring no waste is sent to landfill.
- Reducing processed and red meat options.
- Developing a soon-to-be published Travel Plan.
- Upgrading shuttle buses to low and ultra-low emission types.
- Launching the GRASP rewards campaign with over 600 staff registered.

- Consolidating deliveries to the Trust through a centralised site, with an approximate carbon reduction of 9 tCO₂e.
- Signing onto the NHS Evergreen framework which requires procurements to include a minimum 10% net zero and social value weighting and request carbon reduction plans from suppliers for particularly high value contracts.
- Competing in the annual Green Ward competition to develop sustainable innovation in clinical areas.
- Engaging with key organisations across Leeds to develop sustainable solutions to environmental problems as part of the Leeds Net Zero City Sprint initiative.
- Developing a robust carbon footprint tool which has been validated by PwC.

The Trust has since published its Estates Decarbonisation Strategy, which establishes a roadmap for the organisation to achieve net zero carbon operation by outlining the steps required for the removal of fossil fuels as the Trust's primary energy sources and provides a framework for future capital projects. Some of the actions to have been taken and achievements that have been made since the publication of our Estates Decarbonisation Strategy include:

- Developing an ambitious sustainable design, and the securing of funding for the Trust's Hospitals of the Future (HoTF) project, in which the LGI will be re-developed to enable net-zero operation.
- Securing £22 million of funding from Phases 1 and 3a of the Public Sector Decarbonisation Scheme (PSDS), 3a will be delivered by September 2023.
- Assessing and appraising the future energy decarbonisation options for the Generating Station Complex (GSC), the implementation of which would significantly support the Trust's achievement of net-zero.
- Integrating carbon lifecycle assessments into the business cases of capital projects.
- Submitting bids for funding from the Low Carbon Skills Fund.
- Installing the first air and water source heat pumps at the Trust (SJUH).
- Connecting to the Leeds PIPES District Heating Network (SJUH).
- Upgrading the Trust's Building Energy Management Systems.
- Upgrading building fabric (roofs, windows, insulation).
- Development of a low-carbon heat network at (SJUH).
- Launching an energy awareness campaign with our GRASP champions.

Since 2013/14 (our baseline year), the Trust has achieved a 33% reduction in our direct carbon footprint, and we have also seen considerable improvements in the carbon emissions generated per patient. LTHT currently has a measured annual carbon footprint of 55,147 tCO₂e. This emissions reduction has been quantified and is monitored and measured on an on-going basis in the Trust's carbon footprint tool. The Trust is on track to achieve its target of net-zero for its direct emissions by 2040, but continued support and financing is required to enable the organisation to achieve this.

3. Proposal and Future Plans

The Trust continues to progress with the decarbonisation of its buildings, services, and systems, and has set the following milestone targets:

- By 2025: reduce direct carbon emissions by 44% from the baseline year, stop the use of single use plastics, import only 100% renewable energy and cut business mileages and fleet air pollutant emissions by 20%.

- By 2030: reduce direct carbon emissions by 81%, ensure 90% of our vehicles are low emission and 10% ultra-low, and engaging with the Leeds City gate project to transition towards hydrogen use.
- By 2035: reduce direct carbon emissions by 86% and stay on track for net-zero by 2040.

Should the Trust's Estates Decarbonisation Strategy be fully implemented in addition to the HoTF and GSC changes, the Trust will achieve over a 90% direct carbon emission reduction from the baseline year. This Strategy is underpinned by a set of actions which will be taken over the next 17 years which will continue to be assessed for their carbon impact, and includes the following:

- Apply for PSDS phase 3c funding and invest this in building and infrastructure improvements.
- Establish an energy sub metering strategy.
- Reduce energy consumption with the support of suppliers and partners.
- Undertake energy efficiency training for our key departments and become an accredited energy conscious (ENCO) organisation.
- Include climate change in the Trust Risk Register.
- Upgrade lighting, glazing, and building fabric across the estate.
- Achieve BREEAM excellent standard within HoTF design, maximising sustainability in areas such as energy efficiency.
- Ensure waste is managed, segregated, and disposed of at the highest level of the waste hierarchy.
- Review and upgrade electrical infrastructure capacity to enable electrification of heat initiatives.
- Rationalise estate buildings.
- Invest in energy centres and the integration of innovative/ renewable technologies.
- Electrification of the Trust's vehicle fleet.

4. Financial Implications

This report is intended to be for information/ assurance purposes only and so there are no financial implications associated with the report as there are no specific proposals being made.

5. Risk

There are several risks associated with the Trust's (in)capacity to achieve net-zero, however the main risks are as follows (and in line with the level 2 risk categories above). From an operational perspective there is an emerging business continuity risk. This is associated with the increased frequency and intensity of climatic events such as heat waves and the changes that will be required to our systems and services to enable consistently high-quality patient care. The Trust is currently in the process of commissioning a Climate Change Adaptation Plan (CCAP) which will provide the high-level strategy for responding to the impacts of climate change in the future. CCAPs have not yet been mandated across NHS organisations but the plan will need to be in place to provide a clear vision and direction for how the Trust manages its climate impacts. From a clinical perspective there is a growing patient safety and outcomes risk. This is associated with the above risk in that the failure to ensure our services are resilient to climate change could limit the ability to achieve safe and effective care for our patients.

From a financial perspective there is a developing change risk associated with the cost that any changes to our systems, services, and estate will have for the Trust. LTHT have previously secured £22 million of external investment following a successful application to Phase 3a Public Sector Decarbonisation Scheme (PSDS) which has and is contributing towards the reduction of this risk. However, our Estates Decarbonisation Strategy (2021/22) has calculated that an additional £55 million (subject to inflation) will be required to achieve net-zero by 2040 for our direct carbon emissions. The current financial pressures being experienced by the Trust further limit the organisation's capacity to enact these changes, increasing our reliance on external funding opportunities. Funding has recently been awarded by the UK Government for the HoTF project which will reduce our emissions and need for funding. A recent assessment of energy supply options at the GSC has also found that the Trust can make substantial progress on its carbon footprint, but the method by which this project will be funded is yet to be determined, although engagement has commenced with the BtLW project team, to look at the opportunities of a whole site Net Zero solution utilising the HoTF funding to decarbonise the GSC and supply energy to the new Hospital & remaining LGI Estate. The Trust's recent application for grant funding from PSDS phase 3b (SJUH/ CAH) was unsuccessful. Therefore, funding is still required to ensure that the Trust can achieve net-zero.

From an external perspective, there is a regulatory risk associated with the potential for the Trust to not achieve its net-zero targets as established by the NHS (2040; 2045) and UK Government (2050). As the Trust is currently on track (with a level of uncertainty) to meet its net-zero targets, non-compliance with these regulations is not yet deemed a significant risk, but it is documented on the E&F risk register (10518) scored 9 (Medium) and monitored periodically.

The Risk Management Committee (RMC) provides assurance oversight of the Trust's most significant risks, which cover the Level 1 risk categories. Following discussion at the RMC meeting (January 2023) there were no material changes to the risk appetite statements related to the Level 2 risk categories and the Trust continues to operate within the risk appetite for the Level 1 risk categories set by the Board.

6. Communication and Involvement

The sustainability progress of the Trust is communicated to external stakeholders via participation in various regional groups, national webinars and events. Our Green Plan and Decarbonisation Strategy is published on our website and serves as the main tool by which any member of the public can see our sustainability plan and activity.

Sustainability is also communicated to and between the Trust's internal stakeholders, such as senior management colleagues on a regular basis as part of the Strategic Sustainability Group (SSG) operated by the organisation.

Sustainability is 1 of 9 golden threads within the Estates Strategy, providing monthly updates to the delivery working group & a 6 monthly update to the programme Board (Chaired by the Exec lead, Craige Richardson) monitoring progress/ risks against the key milestones.

Progress is communicated to wider staffing groups through the Trust's GRASP Champions group and across the Trust more generally via LTHT's Comms channels. The Trust recently ran a sustainability promotional stand in Gledhow Wing on E&F Day, raising Public Board (Sustainability Annual Report)

awareness, sharing engagement opportunities and celebrating the Trust's sustainability achievements to passing staff, patients, and visitors. Future engagement plans include the continuation and development of the Trust's SSG and GRASP (meetings/ increased membership) and the running of additional Carbon Literacy open training sessions to bring our staff together to discuss the action we are, and could be taking on climate change.

The Trust recently participated in Yorkshire Sustainability Week (4/6/23) which was held in Leeds and sponsored by fellow anchor institutions (Leeds City Council/ University of Leeds). Chris Kelly, Associate Director of Estates, supported by Sustainability/ Energy partners, addressed the delegation with a Healthcare track Keynote to raise awareness on the Trust's Sustainable actions, driven by both the Green Plan and the Estates Decarbonisation Strategy.

7. Equality Analysis

No policy, activity, or way of working is being developed or changed. This report is intended to be for information purposes only and therefore no equality analysis is required.

8. Publication Under Freedom of Information Act

Public domain:

- This paper has been made available under the Freedom of Information Act 2000

9. Recommendation

It is requested that the Board continue to support and finance the Trust's sustainability and Net Zero efforts through the implementation of the Trust's Green Plan and Decarbonisation Strategy. This report has been provided to communicate the progress being made, which can help inform any future decisions to be taken.

10. Supporting Information

The information within this paper is aligned with the Estates Strategy Sustainability programme Board update and the below documents, which are Board approved and in the public domain.

Green Plan: <https://www.leedsth.nhs.uk/assets/6d6c3a6487/The-Green-Plan-2022.pdf>

Estates Decarbonisation Strategy: <https://www.leedsth.nhs.uk/assets/0e8cefbac0/Estates-Decarbonisation-Strategy-Digital.pdf>

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