



Net Zero Carbon Supplier Tool

Case Study: Nottingham Trent University

Shaping the future of sustainable procurement for the higher education sector

Net Zero Carbon Supplier Tool Now used by over 30 universities across the UK







Nottingham Trent University

Introduction

Nottingham Trent University (NTU) has an ambitious target to achieve Net Zero Carbon (NZC) across all three scopes of emissions by 2040. With supply chain being the largest source of emissions in our 2018/19 baseline carbon footprint, engaging and working with suppliers to support them in reducing emissions was fundamental.

Historically, NTUs supply chain emissions were linked to expenditure using a spend-based calculation methodology. However, the university's ethos to implement sustainable purchasing decisions was not apparent in the carbon footprint, and reaching net zero would be impossible using this 'basic' methodology. It was therefore clear that NTU needed to move to an alternative methodology for calculating emissions. Being able to easily engage across a large and diverse supply chain on sustainability was also a priority. And the first steps in tackling these issues were to:

- 1. appoint a Sustainable Procurement Manager using university strategic investment funds to manage the net zero supply chain workstream
- 2. approach NETpositive Futures, a micro-SME with a reputation in the higher education sector for providing sustainability expertise with impact, to partner with on this work.

The ambition was to design a simple and intuitive platform which underpinned our requirements to 'engage and support suppliers on net zero' and 'obtain robust sustainability data from suppliers to form supply chain emissions calculations, and inform sustainable procurement decision-making'. The development of the platform identified several key principles:

- It should be free to suppliers and offer them a beneficial output to increase engagement
- It should be simple to use, incorporating plain language and not overly burdensome to complete
- It should be universal across size, sector and sustainability maturity of suppliers to reflect the diverse nature of purchasing in higher education (HE) sector
- There should be one account for suppliers, one data entry requirement and information easily and effectively shared across all relevant universities
- The emissions calculations forming the Tool must align with the sector's Standardised Carbon Emissions Framework (<u>SCEF</u>).

Development Timeline and Milestones

From March to November 2022, NTU and NETpositive Futures collaborated on the development of the Net Zero Carbon Supplier Tool (the Tool) which would calculate a suppliers scope 1 and 2 carbon footprint (in line with international, national and sector guidelines) and generate a bespoke carbon reduction plan. By being presented with a framework containing over 80 sustainability actions across five key priority areas the supplier can select, edit and update actions to demonstrate their commitment to sustainability. Collation of this key information provides NTU with robust carbon data to calculate its own supply chain carbon footprint and a deeper understanding of its supply chain sustainability to inform future sustainable procurement activity.

Phase 1: Initial Pilot

The first iteration of the Tool was piloted in November 2022 with 40 contracted suppliers, providing both goods and services from each of the University's four procurement categories (Estates, Facilities & Catering; Science & Research; Professional Services; and Digital Technologies) forming the cohort. Several improvements were identified and implemented as part of the post-pilot review, including streamlining the Tool for suppliers who had a carbon action plan and carbon footprint already.

Phase 2: Roll out to NTUs Contracted Suppliers

In early 2023, 250 of NTUs contracted suppliers were invited to sign up and progress through the Tool. Invites were sent to suppliers by category buyers with a 3-week timeframe for completion. Support came from procurement and sustainability colleagues in responding to queries, monitoring and tracking uptake

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and sending reminders on behalf of the Head of Procurement. It was during this phase that signing up and progressing through the Tool was embedded into tender documentation, making it a requirement for contracted suppliers. Feedback on the Tool was positive, with suppliers using the carbon reduction plans to kickstart their sustainability journey and publicly demonstrate their commitment to achieving net zero carbon.

Phase 3: Sector Collaboration & Progression

After 18 months of testing and development, including beta-testing by five partner universities, the Tool was launched to the HE sector in September 2023 following its preview at the sustainable procurement session chaired by NTU at EAUC's annual conference. Universities were invited to join a one-year Action Research Project to understand how the Tool could be deployed across HE institutions to influence the future of sustainable procurement through utilising the purchasing power of large, shared supply chains. The project started on 1st November 2023 with 31 partner universities signing up to take part. Fully committed to supporting the higher education sector to develop sustainable supply chains, NTU are project managing the Action Research Project and sharing its expertise and experience for free.

Having carried out further supplier spend analysis and committing to increasing NTUs supplier reach as part of its EMS (Environmental Management System) Procurement KPIs, some non-contracted suppliers within the Estates and Digital Technologies procurement categories have also been invited to complete the Tool.

The Impact of the NZC Supplier Tool for NTU

One year on from rolling the Tool out to NTU's contracted suppliers, the university has experienced positive levels of supplier engagement. This has been attributed to efforts made in pursuing suppliers by category buyers, the large number of universities engaging in the tool, the Tool fulfilling a noticeable gap in the market, and not least because suppliers are recognising the importance of sustainability.

Impact on Carbon Emissions

Data from 56 suppliers in the NZC Supplier Tool was used in NTU's 22/23 carbon footprint reporting, alongside embodied cradle-to-gate carbon data from five ICT suppliers, this information accounted for 18% of expenditure on goods and services analysed in scope 3 supply chain reporting. The remaining 82% of expenditure was analysed using the traditional spend-based calculation methodology analysed in-house.

The result is that the NZC Supplier Tool and embodied carbon data reduced NTU's 2022/23 carbon footprint by 8,221 tCO2e. An additional 8,000 tCO2e was saved by carrying out our spend-based calculations in-house, and due to more rigorous analysis of the data, NTU was able to analyse an additional £17m within of the supply chain carbon footprint.

Overall, NTU saw a 29% reduction in supply chain carbon emissions compared to the previous year, and enabled emissions to be de-coupled from spend for the first time.

Impact on Supplier Engagement

The Tool is increasing engagement with suppliers on sustainability, with suppliers keen to highlight their achievements and engage on enhancing sustainability in existing contracts. Positive outcomes have included reducing the number of delivery trips, using electric vehicles, alternative sustainable products,

combining deliveries with a neighbouring university and utilising bulk order packaging.

Vital to HE's broad and complex supply chains, the tool is helping to target and increase support to small medium enterprises (SMEs), facilitating NTUs ethos to support their own local SMEs. To date 1 134 (69%) of NTUs 195 suppliers are SMEs. Of the total carbon reduction plans created, 96% are by SMEs, committing them to over 3,330 carbon reduction actions, of which 23% are already complete. Additionally, one long-standing, local small business recently benefitted through having face-to-face support in creating

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Nottingham Trent University their carbon action plan and calculating their carbon footprint, and another micro business was upskilled on the requirements of working with NTU to lower carbon emissions over the contract period, including signposting to local assistance.

The tool is providing NTU with many new opportunities to engage with a wide range of contracted suppliers to drive sustainability which wouldn't have been possible at this scale and pace before.

Impact on Internal Stakeholder Engagement

The Tool is underpinning a spectrum of internal engagement such as informing and upskilling localised contract managers and purchasing agents on the university's commitment to net zero via workshops and meetings. The emissions data itself forms a key element of our schools and professional services carbon dashboards, providing them with the ownership to influence and enact positive change.

The Future

NTU is continuing to grow the number of suppliers using the Net Zero Carbon Supplier Tool, with 195 suppliers currently registered . This information will continue to be incorporated into both NTU's annual carbon footprint as well as sustainable procurement processes. In addition, NTU will continue to work with internal stakeholders to embed sustainability into procurement processes and decision making.

NTU is actively exploring how the Tool can feed into the academic experience and considering research opportunities, with discussions ongoing with Nottingham Business School. The data from the Tool will continue to form a key part of the institution's carbon dashboards for Schools and Professional Services, communicating the importance of embedding sustainability in procurement across the organisation.

NTU is committed to supporting the higher education sector and sharing its sustainable procurement expertise. The university will continue to lead the one-year Action Research Project with 31 partner universities, embedding and improving the Tool as well as publishing guidance on utilising the Tool (such as

how institutions can prioritise their suppliers, and how to calculate supply chain emissions using the data) to drive sustainable procurement across shared supply chains.

There has also been significant interest in the Tool from other sectors, including FE Colleges and Local Authorities. NTU and NETpositive Futures are exploring how the Net Zero Carbon Supplier Tool could support these sectors meet their net zero ambitions.

NTU is proud of the achievements so far, but recognise there is much more to do to shape sustainable procurement and help support even more businesses to make practical steps to cut carbon emissions and reach net zero. By sharing our story, we stand a much better chance of achieving these priorities through.

¹ Figures correct as of June 2024

² For more information on the Action Research Project, see the <u>6-month Progress Report</u>

For more information NTUs commitment to Sustainable Procurement and Net Zero visit: <u>Sustainable Procurement and</u> <u>Net Zero Carbon | Nottingham Trent University</u>

For more information on the Net Zero Carbon Supplier Tool, contact NETpostive Futures at admin@netpositivefutures.co.uk

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