



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

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<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan Template

Supplier name: Portakabin

Publication date: June 2024

## Commitment to achieving Net Zero

Portakabin is committed to achieving Net Zero emissions by 2040.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
Emissions from our indirect activities (Scope 3) account for 97% of our total footprint. This includes emissions from sources such as customer usage of our buildings, and the production of raw materials for the construction and maintenance of our products. Scope 2 emissions are market-based.	
Our 2019 baseline included the Scope 3 categories considered material at the time of review. Our carbon footprint and roadmap to net zero will be reviewed and updated to include all applicable Scope 3 categories, with targets, before 2025.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2e</sub>)</b>
<b>Scope 1</b>	
Fleet	2,446
Natural gas	1,250
LPG	157
<b>Total</b>	<b>3,854</b>

<b>Scope 2</b>	
Purchased electricity (market based)	434
<b>Total</b>	<b>434</b>
<b>Scope 3</b>	
Purchased goods and services (water use)	32
Purchased goods and services (raw materials)	33,297
Fuel and energy related losses (T&D)	281
Waste generated in operations	129
Business travel	90
Downstream transport and distribution	1,458
Downstream rented assets (electricity and water)	126,359
<b>Total</b>	<b>161,646</b>
<b>Total Emissions</b>	<b>165,934</b>

## Current Emissions Reporting

<b>Reporting Year: 2023</b>	
<b>Additional Details relating to the 2023 Emissions calculations.</b>	
<p>For our 2023 carbon footprint we have calculated all scope 3 categories applicable to our business, including the emissions from the Darwin Group of companies acquired by Portakabin in early 2023.</p> <p>Despite our carbon reduction efforts, our emissions have increased by 56% relative to the 2019 baseline. This can be explained by the following:</p> <ul style="list-style-type: none"> <li>• Darwin Group emissions account for 10% of the 2023 footprint.</li> <li>• The addition of five new scope 3 categories contributed more than 70k tCO<sub>2e</sub> to our footprint. Without these additional categories, the like-for-like increase versus 2019 is 16%, including the acquisition of Darwin Group.</li> <li>• Our overall business has grown 50% from 2019 to 2023. Encouragingly, business growth has outpaced emissions growth, when looking at the like-for-like emissions categories.</li> </ul> <p>By the end of 2023, we had switched all electricity contracts relating to our owned and controlled Portakabin business operations (not including the Darwin Group business operations) to renewable electricity. We also introduced an electric vehicle (EV) policy in Q2 2023 and by the end of 2023 had introduced 95 EV into our car fleet. As of December 2023 our car fleet comprises 57% EV and hybrid across the UK and Europe.</p>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2e</sub>)</b>

<b>Scope 1</b>	
Fleet	3,351
Natural gas	1,524
LPG	1,537
Refrigerants	52
<b>Total</b>	<b>6,464</b>
<b>Scope 2</b>	
Purchased electricity (market-based)	709
<b>Total</b>	<b>709</b>
<b>Scope 3 (*denotes category not included in last assessment)</b>	
Purchased goods	103,240
Purchased services	4,158
Capital goods*	2,382
Fuel and energy related losses (T&D)	1,611
Upstream transport and distribution*	24,673
Waste generated in operations	214
Business travel	463
Employee commuting*	1006
Use of sold products*	38,347
End of life treatment of sold products*	67
Downstream rented assets	76,169
<b>Total</b>	<b>252,330</b>
<b>Total Emissions</b>	<b>259,503</b>

## Emissions reduction targets

Our first roadmap to net zero was published in 2021. These were our published targets:

- Reduce scope 1 and 2 emissions by 96% by 2030
- Reduce scope 3 emissions by 75% by 2040
- Use carbon removal technology for the remainder of the emissions which have not been removed by reduction methods by 2040

We will be reviewing and updating our emissions reduction plan in 2024 to comply with the SBTi (Science-Based Targets Initiative) and latest Greenhouse Gas Protocol guidance and will update these targets accordingly.

## **Carbon Reduction Projects**

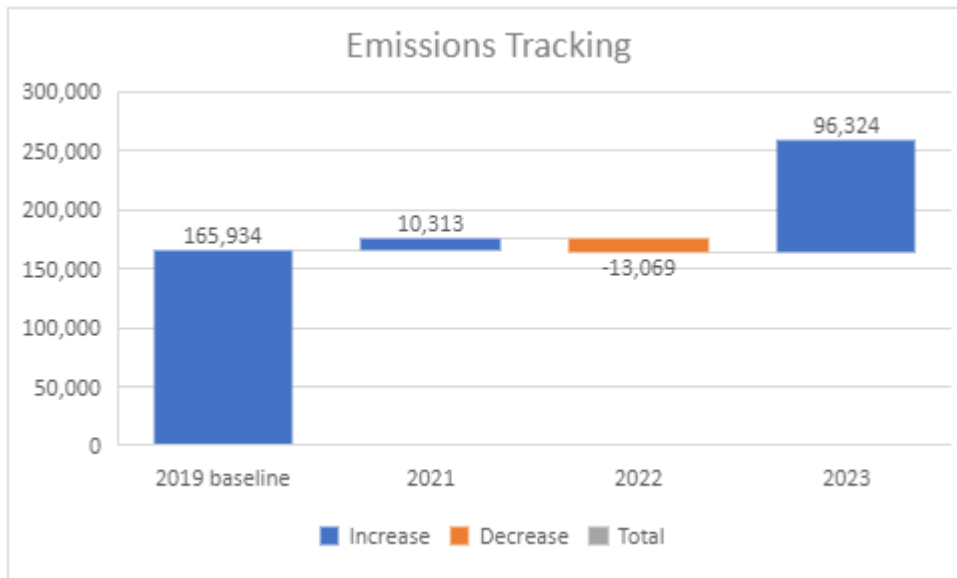
### **Completed carbon reduction initiatives:**

- Implemented our electric-first company car policy in the UK and Ireland. From 2023, no new diesel or petrol cars will be ordered, only electric vehicles (EV) or hybrids where home charging is not possible for EV. Ninety-five EV cars were added to the fleet, replacing existing petrol, diesel or hybrid cars, making the fleet 57% EV and hybrid across UK and Europe.
- Of our managed sites, 100% of our electricity use at Portakabin businesses is from renewable energy sources as of 1<sup>st</sup> January 2024. Darwin Group is still to switch and there are seven small sites of which Portakabin does not have control of the energy supply.
- At our York manufacturing site, 100% of waste is diverted from landfill. Around 97% of all waste is diverted from landfill at our other locations.
- We are trialling and testing a range of low-carbon and energy efficient building service solutions at our “smart building” at our head office in York. The trial includes a heat pump air conditioning unit, solar assisted heat pump hot water unit, smart lighting controls, water efficient toilet, energy storage solutions, remote monitoring sensors and EV charging.
- Reporting under SECR and ESOS phase 3.
- In 2023, we sent a survey to our supply chain to understand which suppliers have their own net zero targets.

### **Proposed carbon reduction projects (Net Zero Roadmap)**

- 1) Renewable energy acceleration – purchase or generation of renewable electricity and phasing out of natural gas.
- 2) Driving towards a cleaner future – 100% electric vehicle fleet and efficient building transport
- 3) Engaging with key stakeholders across our value chain – developing more energy efficient buildings and encouraging customers to use renewable energy.
- 4) Lower carbon materials – working with suppliers to find sustainable and efficient alternative materials.
- 5) Carbon removal - using leading practice carbon removal techniques to tackle any final residual emissions.

## Progress



Increase in emissions due to:

1. Inclusion of additional scope 3 categories: capital goods, upstream transport and distribution, employee commuting, use of sold products, end of life treatment of sold products.
2. Recategorization of data: purchased goods and services now split into two categories and all business units now included. Downstream transport and distribution data included in upstream transport and distribution, with addition of delivery of materials into the calculation.
3. Addition of newly acquired business unit Darwin Group.
4. Our overall business has grown 50% from 2019 to 2023.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>6</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:

*Dan Ibbetson*

Chief Executive

Date: June 2024

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<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>