

SRA BOARD

8 October 2024

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*This paper will be published***SRA proposed pathway to Net Zero carbon emissions**

Reason for paper	This paper provides a proposed pathway for the SRA to reduce its carbon emissions by at least 50% by 2030 and 90% by 2050, seeking approval from the SRA Board to implement the strategy.
Recommendations(s)	The Board is asked to note the contents of this paper and feedback on the proposals outlined.
Previous Board and committee consideration	The Board previously had a short update on this work, this paper provides a more substantial update for the Board.
Next steps	If approved, feedback will be given to Board annually on progress.

If you have any questions about this paper please contact: Liz Rosser, Executive Director of Operations and Resources Liz.Rosser@SRA.org.uk

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SRA proposed pathway to Net Zero carbon emissions

Summary

- 1 This paper reports on the steps we are proposing to reduce our direct and indirect greenhouse gas emissions. We are recommending a short and a long-term approach (2030 and 2050) and this applies to all of our buildings, travel, hybrid working and supply chain, (scope 1, 2 and 3 greenhouse gas emissions).

Background

- 2 As the Board will be aware, with the world grappling with the consequences of climate change, it is becoming more important for businesses to not merely adapt but to lead transformative change. Setting ambitious yet achievable carbon reduction targets is the compass guiding organisations towards a more sustainable and resilient future.
- 3 Since separating from The Law Society, we have maintained our own ISO:14001 accredited Environmental Management System. This is a framework by which we assess our environmental risks and opportunities and set targets to reduce the impact we have on the environment. We have bi-annual audits by our accreditation body to maintain our certification, which independently demonstrates we are applying the required controls effectively.
- 4 Over the last few years, we have already made good headway in reducing our overall direct and indirect carbon emissions, some of these reductions include:
 - The Cube and Old Broad Street are now on 100% renewable energy tariffs (REGO Certified).
 - We are one of only a handful of UK organisations to receive the RICS (Royal Institution of Chartered Surveyors) Gold standard award for our sustainable office refurbishment at the Cube.
 - Most of our waste is recycled; what cannot be is sent to generate green energy, nothing goes to landfill.
 - We introduced hybrid working, which in turn reduces travel via commuting, while still staying connected and collaborating.
 - All Cube office lighting upgraded from Fluorescent to LED.
 - We have become a paper-light organisation, reducing paper consumption by 90%.
 - We reduced our office footprint at The Cube from 2.5 floors to 1.5.
 - Energy saving projects have been introduced at the Cube.

Introduction

- 5 The SRA has been working closely with a third party subject matter expert in the environmental arena. We supplied all our Greenhouse gas emissions (GHGs) data for the fiscal year 2022 -2023, our base line year, which were used to produce Science based targets (SBTs) to achieve NetZero.

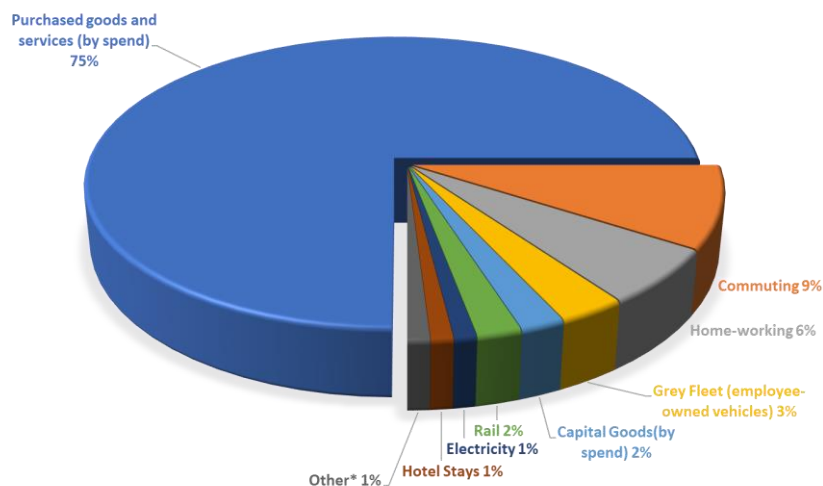
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6 All GHGs are categorised into three scopes, and we are focusing on all three scopes.

- Scope 1, direct emissions, for example gas usage.
- Scope 2, indirect emissions, energy we purchase (electricity).
- Scope 3, all other indirect emissions, for example, purchased goods and services, (supply chain), hybrid-working, all business travel, paper usage and waste.

Breakdown of overall greenhouse gas emissions

7 We need to consider both 'active' and 'passive' reductions in our planning. Active reductions are achieved by making technological, behavioural, and operational changes within the business, e.g., choosing to reduce the number of miles driven in cars; choosing to put a limit on the number of flights people make; investing in new technology to reduce energy consumption. Passive reductions are carbon reductions that would happen without any action needed by us e.g., the decarbonisation of the electricity grid will gradually reduce the carbon emissions associated with the electricity we use and purchase.

Proposed pathway to Net Zero – Active reductions

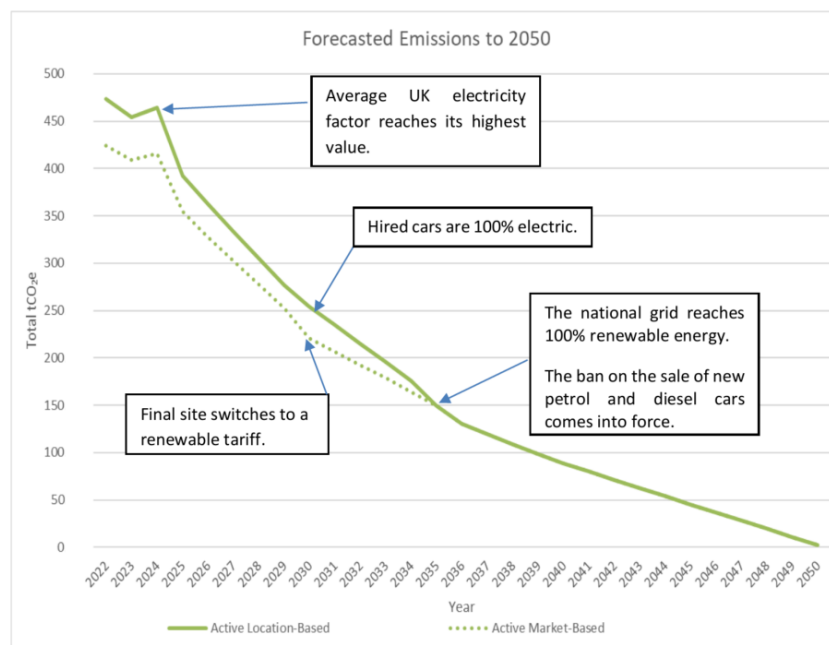
8 In implementing the recommended plan, we will reduce all our scope 1, 2 and 3 greenhouse gas emissions by **50% by 2030** and **90% by 2050**. This is set against our FY 2022 – 2023 baseline.

9 The supply chain is the most significant contribution, but we are also continuing with internal initiatives such as:

- greener pension plans for staff to choose from

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- a salary sacrifice scheme for employees to switch to electric vehicles
- 100% electric vehicles when hiring cars from 2030 onwards
- a sustainable travel hierarchy to staff to consider whilst commuting
- keeping flights at a similar frequency to the baseline year, allowing a reduction in emissions from the decrease in factors. The aviation industry is aiming to reach NetZero by 2050, so emissions should phase out linearly until then.
- switch all sites to 100% renewable energy tariffs by 2030 or sooner, The Cube and Old Broad Street are already using these schemes.



Proposed pathway to Net Zero – Passive reductions

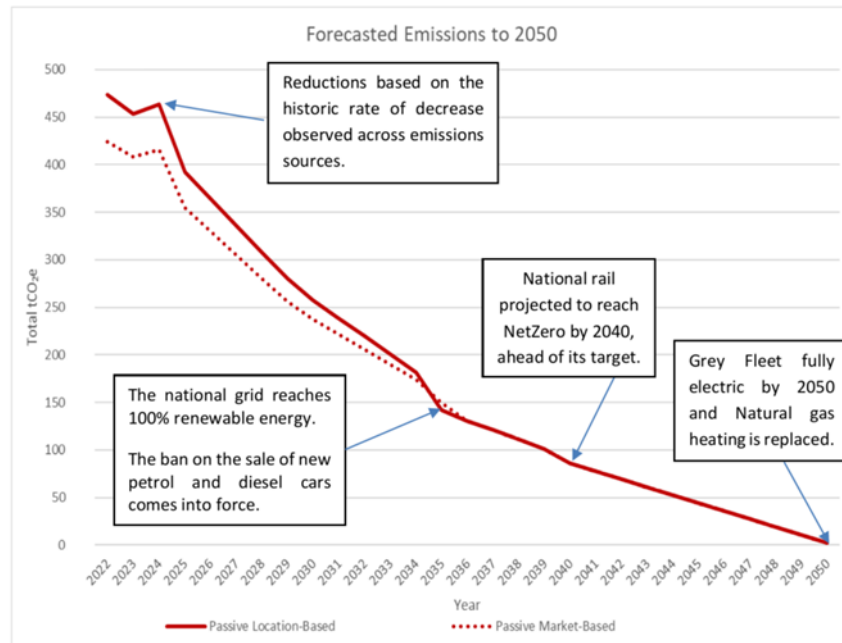
- 10 NetZero plans rely on Government policy and have to be reviewed in light of significant change.
- 11 Electricity emissions will reduce linearly to zero by 2035 (which is the UK's target to achieve a zero-carbon electricity grid). Note: the grid emissions have reduced by approximately 50% over the last 5-6 years.
- 12 Natural gas emissions from heating will phase out to zero by 2050. This is based on the UK Government's target to ban new gas boiler installations after 2035 and the typical lifespan of a gas boiler system being 10-15 years.
- 13 No new petrol, diesel and hybrid cars will be produced/sold within the UK after 2035. Company cars are expected to transition to 100% EV by 2035 or sooner, and grey fleet by 2050 or sooner. This will also affect taxis and hire cars.

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- 14 National Rail has a target to reach zero emissions by 2050 or sooner, with the London underground aiming to have zero emissions by 2030.



- 15 The approach we have taken follows best practice and governmental guidelines. We are using data to inform our decisions and attain external profession assurance from independent experts.
- 16 The above are steps in the right direction, there is more to be done to reach those targets, and we will regularly review our opportunities and targets as part of our ISO:14001 accredited Environmental Management System.

Recommendations: the Board is asked to:

- (a) note the contents of this paper
- (b) feedback on the proposals outlined.

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Supporting information

Links to the Corporate Strategy and/or Business Plan and impact on strategic and mid-tier risks

- 17 This work supports us in meeting our legal requirements to reach NetZero by 2050 but also directly supports Priority Four and the success criteria which is defined as “will be acknowledged for our own inclusivity, responsible environmental management and customer service through accredited benchmarking”.

How the issues support the regulatory objectives and best regulatory practice

- 18 N/A

Public/Consumer impact

- 19 Promoting a sustainable organisational approach is beneficial to the wider public as it contributes to the UK ambition for NetZero.

What engagement approach has been used to inform the work and what further communication and engagement is needed?

- 20 We are part of the UKRN Network and have spoken with other regulators regarding their approach. We also engage with key suppliers, both in sharing best practice but also in managing our scope three emissions.

What equality and diversity considerations relate to this issue?

- 21 On a national level, evidence points to minorities and older people being most at risk from climate-related effects, including from exposure to air pollution, overheating and flooding.

How the work will be evaluated

- 22 We will keep this work under review as part of the ISO14001 Environmental Management System.