Carbon Reduction Code for the Built Environment

C@nstructZERO

The Construction Industry's Zero carbon change programme



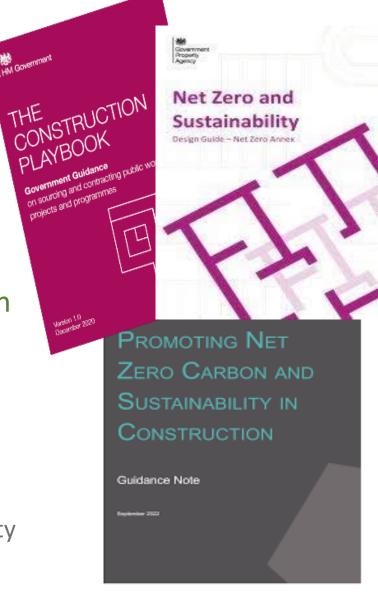
Construction Leadership Council

CSIC Cambridge Centre for Smart Infrastructure & Construction

Carbon Reduction Code for the Built Environment

Government Policy

- Government is committed to a trajectory for reducing UK CO₂ emissions against the 1990 baseline of:
 - 68% by 2030
 - 78% by 2035
 - Net Zero by 2050
- The built environment accounts for c40% of UK emissions transitioning to low carbon heating, lower energy consumption and low carbon materials are key.
- The policy framework supports this approach:
 - Strategy for reducing estate emissions
 - Mandatory Whole Life Carbon Assessments for projects
 - Carbon targets included in contracts
 - Building supply chain capability carbon, circular economy, biodiversity
 - Supporting low carbon innovation in project delivery



Development of the Code

- Drafted by CSIC's 'Achieving Net Zero Industry Working Group' with input from > 30 professionals
- Trialled by NACF, Environment Agency and Skanska (on behalf of SCS JV on HS2)
- The code references PAS2080, aligns with the UK Government's Procurement Policy Note PPN 06/21 – carbon reduction in procurement
- Aligned with and supported by CLC's CO2nstruct Zero initiative
- Cited in <u>Construction Playbook 2022, Promoting Net</u> <u>Zero Carbon and Sustainability in Construction</u> (Sept 2022) and <u>UKGBC Roadmap</u>





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Issue 2021:2

November 2021

WHY the Code?

• Enables collaborative action across the supply chain

- Clients show leadership, committing to work <u>with</u> the supply chain to achieve carbon reduction and not just delegate the responsibility down the supply chain.
- Tier 1 and Tier 2 Code signatories commit to **supporting their own supply chain**.
- Brings some **transparency** through the commitment to annual, public reporting.
- Provides consistency across the sector
 - Aligned to Co2nstructZero, PAS2080, PPN06/21, SBTti, etc. but does not replace them
 - Features in Construction Playbook
 - If clients sign up, then their prime contractors and supply chains sign up → the sector will be working towards the same goals and contribute into a wider movement through that consistency.
- Code is Built Environment focused (unlike SBTi, which is broader)
- Although the Code commitments are challenging, the application process is not administratively intensive. Signing up to the Code is currently free and it is available to organisations in both the private and public sectors.
 - Supply Chain Sustainability School has created a learning resource list to support organisations seeking to adopt the code

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Carbon Reduction Code for the Built Environment

- Framework for organisations to make a public commitment and report on progress towards Net Zero, and collaborate on progress
- Three levels: PLEDGER \rightarrow SIGNATORY \rightarrow CHAMPION
- Three parts:
 - 1. Core commitments for **all organisations** (Pledger)
 - 2. Commitments for **client** organisations (Signatory/ Champion)
 - 3. Commitments for **supply chain** organisations (Signatory/ Champion)





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Core Commitments for all organisations:

- 1.1 We will set out our plans to meet net zero by 2045, including annual targets, recognising that the majority of cuts need to be made by 2030. We will publish this, and our progress against it, annually.
- 1.2 We will set an **interim target** to reduce our net direct and indirect (Scope 1, 2 and where appropriate Scope 3) carbon emissions for **2030**, which aligns with or exceeds government strategy **recognising that the preference is to reduce emissions rather than offsetting**.

For major projects that end before 2030 then a suitable target will be set for the end date of the project.

What does it mean to be a Champion?

- Code CHAMPION level involves going beyond your own organisation and supporting peers/clients/supply chain.
- The Code encourages **active leadership**. It is a signal of intent, taking climate emergency declarations and turning them into tangible action.
- The Code provides a material demonstration of what these declarations and intentions mean in procurement habits and supply chain management.

Carbon Reduction Code

Cambridge Centre for Smart Infrastructure and Construction

Carbon Reduction Code

- > Compliance process
- > Sign up to the Carbon Reduction Code
- > Code Compliant Organisations
- > Case Studies
- > History of the Code
- > Code FAQs



Carbon Reduction Code for the Built Environment

Read the Code here

Introduction

The Carbon Reduction Code for the Built Environment forms part of the Construction Leadership Council's Construct Zero initiative and is referenced in key documents such as the UK Construction Playbook September 2022, the UKGBC Roadmap, and the UK Government Guidance Note Promoting Net Zero Carbon and Sustainability in Construction September 2022.

The Code provides a simple way for organisations to demonstrate their commitment to net zero to their clients or supply chain. The Code brings together and aligns sector wide initiatives and facilitates cross-sector collaboration to reduce carbon emissions (CO₂eq) related to design, construction, maintenance, operation, and decommissioning of built assets. A map of how the Code fits with other initiatives is below and can be downloaded here.

There are three levels of compliance to the Code - PLEDGER, SIGNATORY, CHAMPION and the Code is made up of three parts:

- 1. Core commitments for all organisations
- 2. Core commitments for client organisations and further commitments to facilitate the transition to Net Zero
- 3. Core commitments for supply chain organisations and further commitments to facilitate the transition to Net Zero.

Futher information on compliance is here.

There is no cost to sign up to the Code.

https://www-smartinfrastructure.eng.cam.ac.uk/carbonreduction-code

Code FAQs

Q. Is there a cost to sign up to the Code?

Q. Can part of an organisation sign up to the Code? i.e. the UK office of a global business

Q. How long after submitting a completed form will my organisation be notified that we have met the requirements for compliance to the Code at the Pledger, Signatory or Champion level?

Q. The Code is on the Centre for Smart Infrastructure and Construction website. Is this just for infrastructure organisations?

Q. Is the Code intended for public sector projects only?

Q. Do you have a definition for net zero, and is it aligned with the SBTi net zero standard?

Q. What are your expectations for the level of target needed by 2030, or does this depend upon the company?

Q. How does the Carbon Code align with the ConstructZero Performance Framework as both are branded CLC and CO2nstructZero ?

Q. Our organisation is keen to understand what level we can commit to as we have a broad range of projects and activities. Can we get a steer from you on what level we are currently at?

Q. Will there be any penalties imposed on organisations that sign up to the Code but fail to comply with their commitments? What may those penalties be, and how will they be imposed?

Q. Where will the names of organisations in compliance with the Code be displayed?

Q. Is there additional support for supply chain members?

Q. Consultancies can, at any moment in time, have thousands of live projects across multiple sectors, all lifecycle stages and geographies across the world. It would not be practical to demonstrate a detailed or verified metric at every lifecycle stage for all of our projects. Does Code Commitment 3.3 require 100% compliance across all projects?

Q. The current version of the Code is 2021:2 November 2021. When will the Code be reissued?