

Carbon Reduction / Climate Action Plan for SMEs



Guidance for getting to Net Zero for North Somerset Businesses and Organisations

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Common Terminology

Carbon footprint is the amount of carbon emitted by an individual or organisation in a given period of time, or the amount of carbon emitted during the manufacture of a product.

Carbon markets are trading schemes that create financial incentives for activities that reduce or remove greenhouse gas emissions.

Carbon neutral is a process where there is no net release of CO₂. Achieving carbon neutrality is often done through carbon offsetting schemes.

Carbon sink is any process, activity, or mechanism that absorbs more carbon dioxide from the atmosphere than it releases. Forests, oceans, and soil are the world's largest natural carbon sinks.

Circular economy refers to models of production and consumption that minimise waste and reduce pollution, promote sustainable uses of natural resources, and help regenerate nature.

Decarbonisation is reducing the amount of greenhouse gas emissions that an activity produces, as well as increasing the amount that is being absorbed. Commonly used when referring to buildings and energy.

Emissions are any release of gases such as carbon dioxide which cause global warming.

Global warming is the steady rise in global average temperature in recent decades, which experts believe is largely caused by human-produced greenhouse gas emissions.

Greenhouse gases (GHG's) are gases in the atmosphere, which absorb thermal infra-red radiation emitted by the Earth's surface, the atmosphere and clouds e.g. water vapour, carbon dioxide, methane and nitrous oxide.

IPCC is The Intergovernmental Panel on Climate Change is a scientific body established by the United Nations and the World Meteorological Organisation.

Net Zero is a term used to describe any process where there is no net release of carbon dioxide (CO₂). Achieving net zero is usually done by reducing emissions as much as feasibly possible, then offsetting the remainder.

Renewable energy is energy derived from natural sources that are constantly being replenished, such as wind, sunlight, the flow of moving water, and geothermal heat.

Retrofit refers to any improvement work on an existing building to improve its energy efficiency, making them easier to heat, able to retain that heat for longer, and replacing fossil fuels with renewable energy.

For more information on other commonly used terminology please refer to:

- [The Climate Dictionary: An everyday guide to climate change](#)
- [Glossary – Climate Change: Vital Signs of the Planet](#)

Why does Net Zero matter to Businesses?

Compliance

New legislation and regulation from the UK government may necessitate changes in how your business operates to ensure compliance. Planning for these changes and implementing them early will reduce costs and make your business more resilient.

Reduced costs

Initiatives like renewable energy installations or waste reduction strategies may have upfront costs, but they frequently result in significant long-term savings by lowering bills. Additionally, efficient and sustainable processes reduce redundancy and waste, streamlining operations and improving overall productivity.

Supply Chain

Increasingly, businesses are seeking partners and suppliers that are considering their carbon footprint and sustainability. Taking proactive steps now enables you to expand and attract new business opportunities. Considering environmental sustainability in procurement will more likely give you a competitive edge when tendering for new work. Having more robust measures of sourcing, such as local and/or ethical supply chains, will also future proof your business against the adverse effects of global climate change.

Consumer Demand

Today's consumers are well-informed and prioritise environmental responsibility more than ever before. The rise of digital platforms and easy access to information allows consumers to quickly research the environmental practices of a company to inform their decisions. Businesses that champion sustainability and align with climate values will be better prepared for an evolving business landscape. Having an actively green and sustainable business will keep existing and drive new customers. Engaging in genuine sustainability efforts, and communicating these to customers, creates a community of brand advocates who actively promote the business.

Sustainability

Beyond commercial interests, businesses exist within communities and ecosystems. Their actions can have profound effects on local environments, and so there's an inherent responsibility to ensure these impacts are positive or at least neutral.

Companies that take early and meaningful steps toward sustainability will be remembered as pioneers and community leaders, assisting other businesses to also take steps forward. In contrast, those that lag might be seen as part of the problem.

Innovation

The need for sustainable solutions drives innovation. New challenges necessitate new products, services, and business models, opening up entirely new market segments and revenue streams.

Resilience and Adaptation

Businesses that adapt their buildings and operations to react to the changing climate will be more resilient to extreme weather events such as flooding and heatwaves. Those who put changes in place now will be less vulnerable to rising costs and expensive repair and remediation works. Adaptation could also relate to the resilience of supply chain systems, where sourcing depends on the resources of one country (e.g. food, energy) so putting alternatives in place now will future proof against any future climate related risks.

Employee Recruitment and Retention

A strong sustainability ethos attracts talent, especially from younger generations who want to make positive change, prioritising the values and culture of a company over salary alone. Employees who believe in their company's mission and values are more likely to remain, reducing turnover costs and fostering a more experienced and committed workforce.

Meeting Global Goals

Taking climate action aligns with international sustainability goals, such as the United Nations' Sustainable Development Goals, showcasing a commitment to global progress.

Strengthened Local Economy

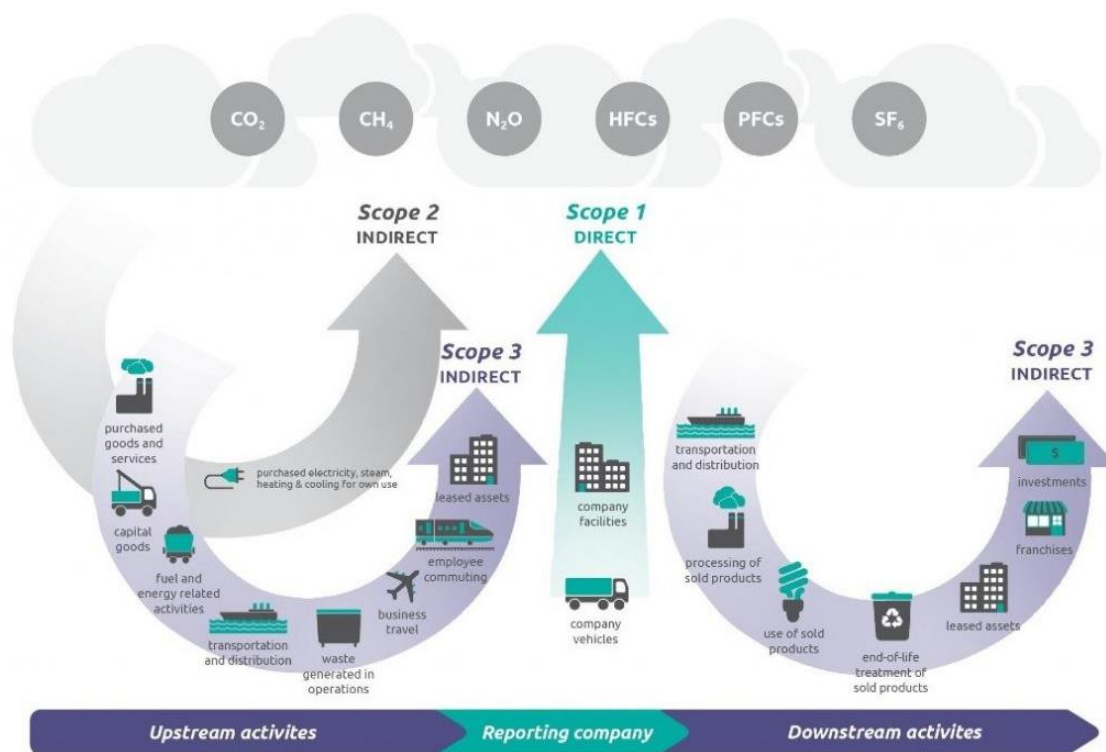
Businesses contributing to emissions reduction can help build a more sustainable and resilient local economy, benefiting the community as a whole.

How can a Business reduce its Emissions?

Understand your Carbon Footprint

Calculating your carbon footprint is an essential first step in working out your business emissions so you can map out your transition to low carbon or net zero. There are numerous ways that a business can do this, depending on budget allowance and technical expertise within the business. Working out your emissions at a basic level doesn't need to be onerous and there are many carbon footprint tools which can help, such as this one from the Carbon Trust [SME Carbon Footprint Calculator | The Carbon Trust](#).

First understand where emissions come from and then work out the best way to reduce them.



Source: www.ghgprotocol.org

The main scopes of emissions fall under:

Scope 1 are direct emissions caused by any process or activity by the company that causes greenhouse gas emission. These are usually in the form of fuels burnt on-site or by company-owned vehicles.

Scope 2 are indirect emissions caused by your company purchasing energy (from sources you do not own or control). This is usually in the form of purchased electricity, heat, or steam.

Scope 3 emissions are all the indirect emissions that occur because of your business activity. These are usually in the form of waste, supply chain, financing, transport and distribution, business travel and employee commuting.

When you have identified your areas of high and low carbon intensity, devise a roadmap of reducing emissions and work out how you will get there. This needs to be a feasibility study which accounts for ease and effectiveness of action, means of adoption and most importantly the financial means to implement the action.

The main business areas of high to low emissions (in descending order) are listed below, with some suggested options for reducing impact.

Transport

Electric Vehicle Schemes

Electric Vehicles (EVs) do not produce tailpipe emissions, as traditional combustion engines do which significantly reduces air pollutants as transport emissions are one of the main sources of greenhouse gas emissions. A variety of benefits are available such as grants, tax and insurance incentives, exemptions from congestion charges and, in some cases, free parking. In addition to being more environmentally friendly, an EV's total cost of ownership can be less than a combustion vehicle due to lower fuelling and maintenance costs.

Many organisations are starting to offer a Salary Sacrifice scheme to employees which is a method of leasing an electric vehicle with mercifully low tax costs.

[The Workplace Charging Scheme](#) is a voucher-based scheme that provides eligible applicants with support towards the upfront costs of the purchase and installation of electric vehicle (EV) charge points.

Business Commuting and Active Travel

Cycle to Work Scheme encourages employees to cycle by providing tax incentives and discounted bicycles, promoting a healthier lifestyle and reducing congestion. Information about schemes and plenty of other cycling resources are available at betterbybike.info

Car sharing optimises transportation by allowing multiple users to access a single vehicle, reducing traffic, emissions, and individual ownership expenses. More information about car sharing and apps available in the area can be found on [Car Sharing - travelWEST](#)

You could incentivise employees for leaving their car at home and encourage them to consider ways of getting into work by public transport or active travel by promoting awareness days which encourage walking to work or car free commuting.

There are plenty of options for delivery of goods, whether these are upstream (your business delivering out) or downstream (your business receiving goods or services in). Consider options such as cargo bikes, electric vehicles and fleet, back-hauling and simply optimising deliveries and business transport so non-essential journeys are reduced, saving emissions as well as money.

Energy and Buildings

Solar PV

Solar photovoltaic (PV) panels generate electricity using sunlight, decreasing reliance on fossil fuels. The generated electricity allows you to power a building during the day. Batteries allow the storage of electricity which can distribute energy usage across peak and non-peak times. Many electricity suppliers provide a credit excess electricity generated; where energy will go back into the National Grid and thereby increased the national production of renewable forms of energy. Solar PV has a relatively short return on investment, which makes it a very attractive option for residents and businesses to produce energy.

Energy Efficient Lighting

LED lighting presents several benefits, including energy efficiency, as LEDs use significantly less power than traditional lighting, leading to reduced electricity costs in addition to having a longer lifespan, minimising maintenance expenses. LEDs also

emit less heat, contributing to a cooler environment. Being environmentally friendly, containing no hazardous materials and offering instant illumination without warm-up time, enhancing overall efficiency.

Energy Efficiency Audits

Conducting energy efficiency audits involves assessing and analysing energy usage in buildings to identify opportunities for improvement, optimize performance, and reduce overall energy consumption. Companies can achieve this through a [simple checklist](#) (done by an employee) or by complying with programmes such as [ESOS](#) (if applicable and relevant).

Building Energy Efficiency Measures

Existing HVAC (heating, ventilation, air conditioning) systems should be regularly maintained to keep them working at peak efficiency. This includes cleaning air filters, checking refrigerant levels, and inspecting electrical components. Food businesses can enhance their sustainability by embracing electric or induction cooktops. These energy-efficient alternatives offer unparalleled precision, safety, and cleaner cooking environments, while also reducing energy consumption and contributing to a healthier workplace and a more eco-friendly business model.

Green Certifications

Green certifications like [BREEAM](#) and [LEED](#) are internationally recognised frameworks that assess buildings for their adherence to sustainable practices. These certifications evaluate aspects such as energy efficiency, water conservation, material selection, air quality, and ecological impact. Businesses that have these certifications demonstrate their commitment to the environment and attract environmentally conscious customers and investors.

Sustainable Procurement

Sustainable procurement promotes environmental conservation by selecting eco-friendly products, which reduce the carbon footprint. Social benefits include supporting ethical practices and local economies. Financially, it enhances cost-efficiency through resource optimisation. Adopting sustainable procurement also aligns businesses with changing consumer preferences, fostering positive brand image and long-term stakeholder relationships. For small scale supply chains and information about more

ethical brands to choose, the [Ethical Consumer](#) magazine is an excellent source of information (a small subscription fee is required for full access).

Sustainable Finance and Investments

Green finance involves investments and financial activities that prioritise environmentally sustainable projects, aiming to support initiatives such as renewable energy, energy efficiency, and other environmentally friendly practices to address climate change.

Green Loans

Green loans are a financial solution tailored for small and medium-sized enterprises (SMEs) to invest in eco-friendly upgrades and initiatives. These enable SMEs to fund projects focused on reducing their environmental impact, such as energy-efficiency retrofits, renewable energy installations, or waste reduction initiatives.

Green loans typically offer favourable terms such as lower interest rates or extended repayment periods, encouraging SMEs to adopt environmentally friendly practices.

In addition to green loans, sustainability-linked loans (SLLs) offer another financing option for SMEs seeking to enhance their sustainability performance. Some banks offer loans that are tied to predetermined sustainability metrics, such as carbon reduction targets. As the borrower achieves their sustainability goal, they will benefit from lower interest rates providing a financial incentive for sustainable practices. Many banks offer green loans, some of which are highlighted on the North Somerset Council [funding pages](#).

Green Banking

Many banks are committing to divesting from fossil fuels and unethical investment by providing finance to companies that are looking for more ethical criteria in their financial management. For banks that provide mainly retail banking services, this is the main way they can ensure their business has a positive impact on society and the environment. There are several ethical banks, that provide small business banking, and information is available through recommendations from the [Ethical Consumer magazine](#).

Green Pensions

Green pensions are a type of pension investment that aims to minimise negative environmental impact, this can be achieved by avoiding investments into companies that cause harm to the environment and instead investing in those which are committed to sustainability, such as renewable energy sources or have a strong environmental policy.

Digital Connectivity

Promote Virtual Meetings

Virtual meetings offer flexibility, fostering collaboration without geographical constraints. They reduce the need to travel, so reduce transport emissions and save fuel costs. Real-time information sharing and document collaboration enhance productivity and decision-making. Additionally, virtual meetings support a better work-life balance, allowing participants to engage from the comfort of their own spaces.

Digital Transition

Going paperless provides numerous benefits, promoting environmental sustainability by reducing deforestation and minimising waste. It streamlines workflows, enhancing efficiency and productivity as digital documents are easily accessible and searchable as well as being more secure than paper copies. Cost savings result from eliminating expenses associated with paper, ink, and storage. The impact of digital storage should be considered, however, as it has a significant carbon impact so setting up policies and systems for saving files and using online applications should be implemented.

Climate-Friendly Applications

Using climate-friendly software, applications, and browsers can provide multiple benefits not only for carbon mitigation but also for business engagement, employee engagement, and company reputation. Browsers like [Ecosia](#) are climate-friendly and plant trees for each search, and promoting platforms like [Giki Zero](#) are useful for engaging employees in understanding their carbon footprint and looking for ways to reduce it.

Waste Reduction

Customer Incentives

You can provide incentives to customers to encourage reducing and reusing, like giving discounts for using reusable cups and refillable water bottles. Also consider the impact of 'freebies' – even the smallest of free (probably unwanted or unneeded) items can have a significant impact on waste and resources. Give away consumables like free biscuits or drinks instead of anything plastic or paper which encourages an increase in waste. Also consider giving away food or items on apps like [Olio](#), [Too Good to Go](#) or engaging with [The Reuse Network](#) or local Freecycle groups, instead of throwing them away. Go to [Hubbub](#), [Refill](#) and [Wrap](#) to get ideas and information for encouraging customers and the general public to reduce and reuse.

Sustainable Packaging

Sustainable packaging minimises environmental impact by using eco-friendly materials and reducing waste. It conserves resources, lowers carbon footprint, and promotes recycling. Brands adopting sustainable packaging enhance their reputation, appeal to eco-conscious consumers, and contribute to a healthier planet. It's a win-win for business and the environment. Metal is always the best alternative as it is widely recycled and can be recycled endlessly, but if you can use no packaging at all then that is the most sustainable option.

Recycling

Recycling is a vital carbon reduction initiative, diverting waste from landfills, conserving energy used in manufacturing, and mitigating greenhouse gas emissions. However, in terms of impact recycling is very low impact so this shouldn't be the only way you choose to be a more sustainable company – focusing on reduction of waste and circular economy as a pathway, which should incorporate waste management and recycling, is a much more progressive way to reduce impact from waste.

Carbon Capture and Offsetting

Tree Planting

Tree planting is a crucial environmental initiative. Trees absorb carbon dioxide, release oxygen, and combat climate change. They prevent soil erosion, provide habitat for wildlife, and enhance biodiversity. Additionally, trees beautify landscapes, offer shade, and contribute to overall well-being, making tree planting a powerful strategy for a

sustainable future. There are multiple opportunities for tree planting or contributing to nature-engaging projects across North Somerset and it would be worth contacting local projects or looking at volunteering groups listed [here](#).

Carbon Offsetting Schemes

Carbon offsetting done through schemes where donations are given to volunteer or charity organisation to further climate action in their area. Carbon offsetting schemes can be beneficial by supporting projects that reduce greenhouse gas emissions, fostering environmental awareness. However, concerns arise about transparency, additionality, and the effectiveness of certain projects. It's crucial to scrutinise schemes, ensuring they contribute meaningfully to emissions reduction rather than merely providing a solution that merely absolve all carbon emissions and does nothing to reduce or mitigate emissions. The [Gold Standard](#) scheme comes highly recommended and is supported by a number of large reputable organisations.

Local Impact Projects

Many community groups locally would benefit from both contributions of time and funding from local businesses, so if your business wanted to invest in local nature and environment projects you could contact local volunteer groups to see what is required. Many groups would benefit from staff volunteering time, so it may not require monetary contributions, just the willingness to allow staff members to volunteer for a day.

Additional Significant Measures

Public Awareness Campaigns

Consider organising campaigns to educate businesses and the public about the importance of carbon reduction and the benefits it brings.

Collaboration with Experts

Emphasise the need to collaborate with experts from other local businesses and organisations, and create partnerships and collaborations to ensure adherence to project management standards and best practices.

Climate Friendly Events

Endorse sustainable choices at events by considering vegan or vegetarian catering, including offering dairy alternatives as refreshments and choosing venues that are easily accessible by public transport or active travel. When advertising events use

local networks to cut down on emissions from distribution and advertising, and consider using green marketing platforms.

How can your Business get further help and guidance?

Accreditations

[BCORP](#) Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency, and accountability.

The [British Standards Institution \(BSI\)](#) is the national standards body of the United Kingdom. BSI produces technical standards on a wide range of products and services and also supplies certification and standards-related services to businesses.

The [Carbon Literacy Project](#) offers a programme of Carbon Literacy® learning, covering – climate change, carbon footprints, how you can do your bit, and why it's relevant to you and your audience.

[Green Tourism awards](#) are a national accreditation for accommodation and attractions of all sizes which are acknowledged globally as an indicator of good environmentally friendly practices in addition to technical experts offering practical advice.

Local Assistance Schemes

[the Hive](#) is a not-for-profit organisation that has a culmination of 35 years of business support for start-up, micro and small businesses in North Somerset.

The North Somerset Sustainable Business Club is a free, open, grassroots community of local businesses interested in sustainability, social impact, ethical conduct, climate change, and other environmental issues. [Contact the Hive](#) for more information.

[FoodWorks](#) offers support to food and drink manufacturers and hospitality businesses to look at more sustainable packaging solutions, advise on efficiencies to drive down costs and energy usage, innovation, and new technology.

The [Weston Chamber of Commerce](#) have partnered with Cleaner Coastlines: Plastic Free Communities since 2019 to offer advice and practical solutions on reducing waste and adapting to the legislation of packaging. For more information [Contact Weston Chamber](#)

Other towns promote local and sustainable business via their forums and engagement platforms, for example, Weston and Clevedon BID, and Clevedon and Portishead Chamber of Commerce.

For assistance relating to sustainability in business, visit the [InNorthSomerset website](#) or contact the [Economic Development team](#) at North Somerset Council. You can also sign up to the periodic newsletter to receive relevant business news and funding opportunities.

For assistance relating to climate initiatives within the North Somerset area contact climate.emergency@n-somerset.gov.uk

For current climate funding opportunities available within North Somerset visit [Climate Funding](#).

National Assistance Schemes

The [Business Climate Hub](#) is a collaboration between the UK Government, businesses and business groups across the UK. The Hub is the UK partner of the SME Climate Hub, the global initiative that empowers small and medium-sized enterprises to take climate action.

The [SME Business Club](#) is a non-profit global initiative that empowers small to medium-sized companies to take climate action and build resilient businesses for the future.

The [Federation of Small Businesses \(FSB\)](#) sustainability resources give support to small businesses and the self-employed on their journey to net zero.

The [Carbon Trust](#) offer some useful guides and reports for business to get clearer guidance and understanding of how to make impactful decisions in the workplace and in communities.

The [British Business Bank](#) is a trusted resource for up-to-date information on green business loans.

If you have any recommendations to improve this guide, please email us on climate.emergency@n-somerset.gov.uk