

Sustainability Strategy

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Sustainable Development Strategy

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1. Executive Summary

The strength of scientific evidence on climate change cannot be ignored. The NHS (in England) is directly responsible for 25% of total public sector carbon emissions and is the largest public sector contributor to climate change.

The Government has introduced the Climate Change Act with a target to cut carbon emissions by at least 80% by 2050 with a minimum reduction of 26% by 2020. In response to this the NHS Carbon Reduction Strategy (2009) provides a framework for all NHS organisations to follow.

The nature and scale of our business in the NHS means that we have a responsibility and unique opportunity to play a leading role in reducing our CO₂ emissions and embed sustainability in the way we do things. The size of the task is challenging, but sustainability is no longer optional, it's a 'must do'.

It will be essential in order for this strategy to be successful, that sustainability becomes integral to the Trusts corporate agenda and is included at the heart of day to day decision making.

This document provides a strategic framework for environmental sustainability and creates a governance structure which will enable the Trust to implement action to manage and reduce its environmental impact.

2. Introduction and Background

The UK Government has committed to take action now and has introduced the Climate Change Act to cut carbon emissions. In order to meet this commitment, the NHS has produced the NHS Carbon Reduction Strategy which sets out a requirement to achieve the following minimum carbon (Co₂) reduction targets from a 2007 baseline.

- 10% by 2015
- 26% by 2020
- At least 80% by 2050

The NHS has a carbon footprint of 18 million tonnes CO₂ per year.

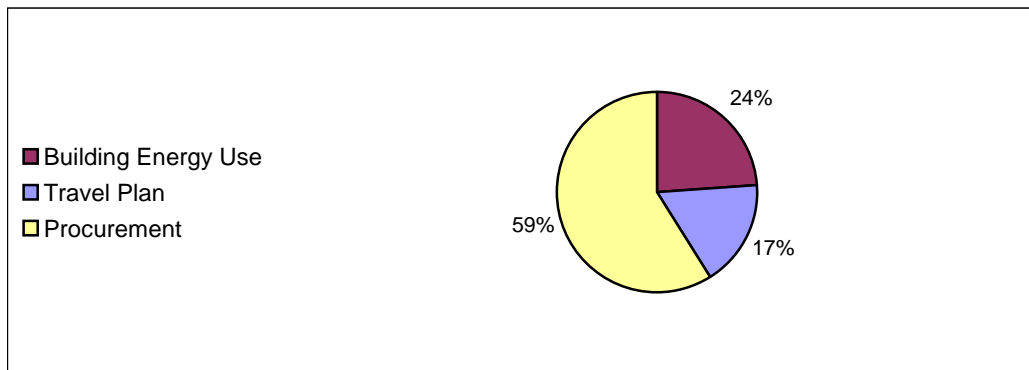


Figure 1 NHS Carbon Footprint

Despite increased efficiencies the NHS has increased its carbon footprint by 40% since 1990. This means that the climate change targets outlined above will present a huge challenge.

One of the major impacts of the legislation for the Trust is that there is a requirement to join an emissions trading scheme, the Carbon Reduction Commitment (CRC).

As a major employer and through its business activities, Northampton General Hospital recognises that as a healthcare provider that promotes well being, the Trust has an important responsibility to minimise the impact on the environment, ensure efficient use of resources and maximise funds available for patient care.

Increasingly it will be seen that Regulators and Commissioners of services will incorporate sustainability and the effective use of natural resources in their performance management, compliance and contracting regimes. This will require Trusts to demonstrate commitment and progress towards reducing their carbon footprint.

Healthcare and sustainability are inextricably linked. Reducing carbon emissions will enable the Trust to improve public health, meet its legislative requirements and to save money.

3. What is Sustainability?

Sustainability is defined as: ***“the achievement of a better quality of life through the efficient use of resources which realise continued social progress while maintaining stable economic growth and caring for the environment. Meeting the needs of the present without compromising the ability of future generations to meet their own needs”.***

The Department of Health (DH) and the NHS Sustainable Development Unit (SDU) have adopted this definition and the UK Governments five guiding principles of sustainability.

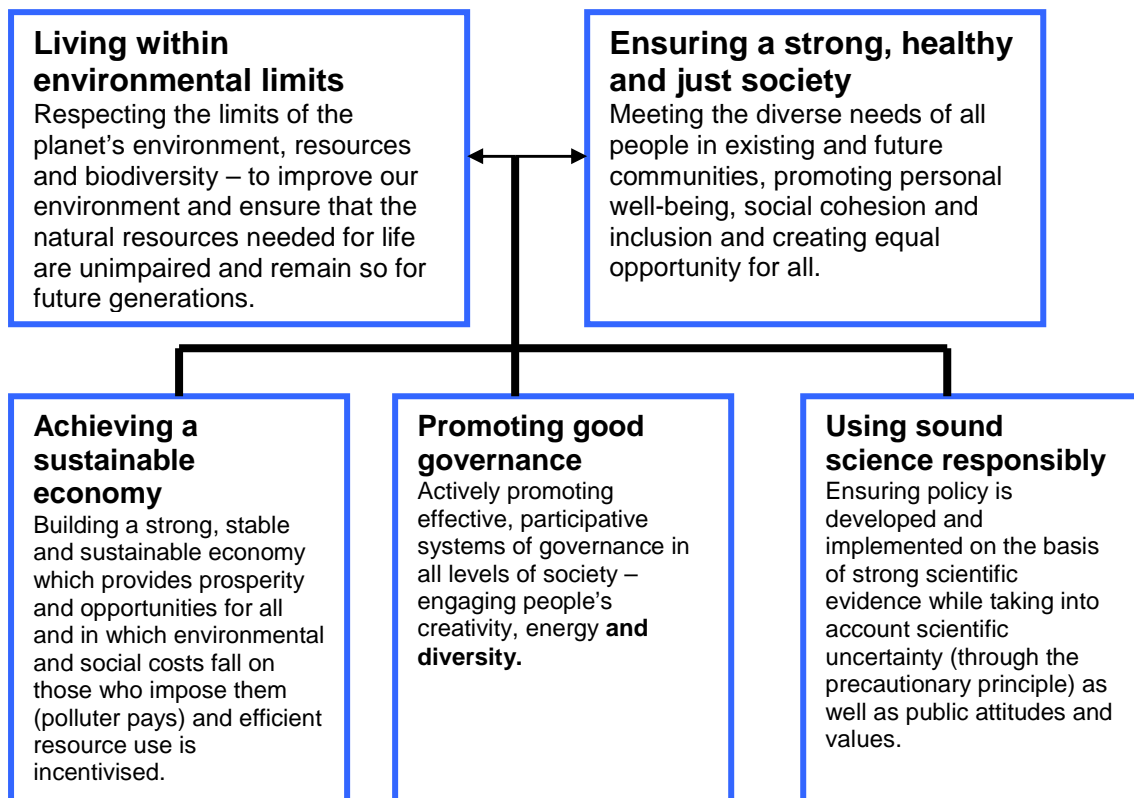


Figure 2 Sustainability Principles, 'Securing our Future' 2005

4. Why do we need a Sustainability Strategy?

There are a number of reasons why Northampton General Hospital needs to understand, manage and reduce its carbon footprint.

- The new legally binding Government framework and national targets
- The strength of the scientific evidence to act now on climate change
- The health co-benefits for patients and populations and for the health system itself
- The importance of cost reductions and energy resilience
- The commitment of the wider NHS to act
- The need for the NHS to be a leading public exemplar

The Sustainability Strategy will provide a strategic framework for environmental sustainability, creating a governance structure to enable the Trust to manage and minimise its environmental impact.

The strategy will demonstrate the Trusts commitment to the environment and build on its existing track record of positive carbon management.

5. Strategic Approach to the Sustainability Agenda

All NHS Trusts but in particular Foundation Trusts will have a key role to play in the sustainability agenda, not only as large consumers of energy and major local employers but also as organisations with accountability to the local community.

Commitments to sustainability should complement the Trusts core business in providing healthcare.

Foundation Trusts have a unique accountability to the local community via their Governors, members and staff which provides a significant opportunity and expectation for sustainability to influence Trusts activities.

There is therefore a good case for making sustainability and good corporate citizenship a strategic priority. It's importance to commercial and clinical success makes it a matter of corporate governance. There is growing evidence that the most commercially aware and well managed Trusts are driving sustainability through Corporate Governance and Quality Accounting Frameworks.

It is now opportune for NGH to take ownership of the sustainability agenda, define why it is important and use it to help drive financial savings and clinical performance.

6. Key Strategic Themes

The Trusts strategy will reflect the following key areas of sustainability as set out in the NHS Carbon Reduction Strategy for England:

- **Energy and Carbon Management**
 - Improving energy efficiency, reducing CO² and other greenhouse gas emissions
- **Procurement and food**
 - Addressing sustainability in what we buy and the supply chain

- **Low Carbon Travel, transport and access**
 - Encourage active and sustainable travel for staff and patients
- **Water**
 - Promoting efficient use and minimising wastage
- **Waste**
 - Reducing waste and promoting recycling
- **Designing the built environment**
 - Building sustainability into the Trust Estate
- **Organisational and Workforce Development**
 - Developing and embedding sustainability into the way we do things
- **Partnerships and Networks**
 - Promote effective partnerships across organisations
- **Governance**
 - Developing processes to measure and report progress on performance
- **Finance**
 - Budgeting for and embedding carbon reduction into the Trusts financial mechanisms

7. Corporate Social Responsibility

Good corporate citizenship is about NHS organisations making a contribution to sustainable development, health improvement and tackling health inequalities through their day-to-day business activities to aid population health, creating strong local economies and a healthy environment. This means using NHS organisations' corporate powers and resources in ways that benefit rather than damage the social, economic and environmental conditions in which we live.

How the NHS behaves, as an employer, a purchaser of goods and services, a manager of transport, energy, waste and water, as a landholder and commissioner of building work and as an influential neighbour in many communities, can make a big difference to people's health and to the well being of society, the economy, the environment, not to mention the reputational benefits within the local community for an organisation such as Northampton General Hospital.

The Sustainable Development Commission (SDU) have produced an on-line tool to assist NHS organisations assesses their progress on sustainable development. It is proposed that the Trust register with the SDU and use the tool to determine its current baseline, using this to help inform its priorities for development and improvement.

8. Embedding Sustainability within the Trust

The Trust has for a number of years adopted a proactive approach towards sustainability including:-

- Ongoing capital investment (spend to save) programmes for energy conservation including recent successful bid for a national carbon reduction loan (Salix)
- Green Travel Plan
- Energy Strategy and Energy Policy approved in 2009
- DH high level carbon indicator shows the Trust performing better than average
- Waste segregation and recycling initiatives
- Energy conservation requirements included in all design specifications for new builds and upgrades
- Some work has already started with food and other suppliers to demonstrate their level of sustainability
- Estates Strategy approved by the Trust Board in February 2010 sets out short, medium and long term sustainability strategies relating to the estate

These initiatives have to date been seen very much as Estates and Facilities driven. In order for sustainability to be embedded as part of the way the Trust conducts its business, it will require a cultural shift that needs the support, commitment and involvement of staff across the organisation.

Some of the key aspects required for this cultural shift are summarised below:

- Integrating sustainability into corporate strategy
- Demonstrable Board and Senior management commitment
- Including sustainability at the heart of day to day decision making
- Building sustainability into appraisal and objectives across the organisation
- Shared responsibility with Directorates being responsible for part of the overall target
- Staff understanding the importance of this agenda
- Developing meaningful, realistic targets and celebrating success
- Monitor and report performance

9. Governance Structure for Sustainability

This is a complex agenda which requires leadership, transformational change and an understanding of corporate social responsibility in order to ensure successful implementation of the strategy.

It is therefore proposed to establish a Sustainable Development Committee as a sub Committee of HMG to drive and shape the Trusts Sustainability Strategy in line with DH guidance and Government legislation. The Committee will develop and oversee the implementation within the Trust of a Sustainable Development Management Plan, and to promote the benefits of Good Corporate Citizenship.

A proposed Terms of Reference and membership for the Committee is set out at Appendix A.

10. Sustainable Development Management Plan

The framework for implementing and managing the Trusts Sustainability Strategy will be through a Board approved Management Plan. The plan will provide a five year framework within which will be a prioritised annual action plan.

The Management Plan will set clear actions and timescales for delivery with periodic reporting on progress to HMG and the Trust Board. The Management Plan will address the following areas:

- Compliance with all relevant legislation
- Include climate change in the organisations risk register, including financial risk and where appropriate in the Board Assurance Framework
- Confirming the designated Board leads for sustainability and allocating additional lead responsibilities
- Developing and implementing reduction plans to address the major components of NHS carbon emissions including direct energy consumption, procurement, transport (including business, commuting and patient travel) and waste.
- Working in partnership with stakeholders under Local Strategic Partnerships to ensure that collaboration aids the integration of this agenda, both within the organisation and also in a wider setting.
- Establishing an active communication strategy to engage all staff, visitors and patients using facilities at NGH
- Using the Good Corporate Citizen Assessment Model and key actions of the NHS Carbon Reduction Strategy to review progress

11. Monitoring and Measuring Sustainability

Successful delivery of the Sustainability Strategy will depend on effective measurement of its progress as well as ongoing monitoring and reporting. Within the Development Plan, each of the Strategic themes will have key performance indicators which will be reported periodically on the Trusts performance dashboard.

There are a number of other key areas of measuring sustainability performance including:

- Carbon Reduction Commitment Energy Efficiency Scheme (CRC)
- Monitor's sustainability reporting for Foundation Trusts
- Estates Return Information Collection data (ERIC)
- Good Corporate Citizenship Model
- Environmental Assessment model for Healthcare buildings (BREEAM)
- ALE
- Statement of Internal Control (SIC)
- CQC Standards

Overall progress will be reported in the Trusts Annual Report.

12. Communications Strategy

A Communications Strategy will be developed by the Sustainable Development Committee in conjunction with the Trusts communication team. It will be important to ensure good engagement with all stakeholders and that the development plans are effectively communicated.

13. Strategic Timeframe and Review

This Strategy will aim for a life cycle of 5 years in line with the Government target for a 15% reduction of carbon emissions by 2015.

The Strategy will be reviewed every two years as a minimum with ongoing monitoring and reporting to HMG and Board of progress against the actions and timescales set out in the Sustainable Development Management Plan. A summary of progress will also be reported in the Trusts Annual Report.

14. Next Steps

1. Establish the Sustainable Development Committee
2. Undertake the Good Corporate Citizen Assessment
3. Production of the Sustainability Development Management Plan with prioritised annual action plan for 2010/11

15 Recommendations:

The Trust Board is asked to consider this document in detail and:

- Approve the Sustainability Strategy
- Confirm its commitment to Sustainable Development as a key corporate objective for the Trust
- Support the next steps set out in this document

References

- Department of Health (2009), NHS Carbon Reduction Strategy for England, Saving Carbon, Improving Health; London
- Department of Health (2005), Sustainable Development, Environmental Strategy For The National Health Service
- UK Government Sustainable Development:
<http://www.defra.gov.uk/sustainable/government/>
- Climate Change Act
- NHS Sustainable Development Unit: www.sdu.nhs.uk
- Good Corporate Citizenship Assessment Model:
www.corporatecitizen.nhs.uk
- Salix Finance: www.salixfinance.co.uk

Appendix A

Draft Terms of Reference and membership for the Sustainable Development Committee.

Role:

To drive and shape the development of the Trusts Sustainability Strategy in line with the Carbon Reduction Strategy for the NHS. To develop and co-ordinate the implementation of the Trusts Sustainable Development Management Plan.

Key Objectives:

1. To ensure that the Trust has plans in place to meet legislative and good practice guidelines in relation to sustainability
2. To agree local priorities, set targets and to develop the content of the Sustainable Development Management Plan, encompassing all Trust activities which impact on the environment
3. To agree Trust energy saving and carbon reduction targets, ensuring that these are in line with the NHS Carbon Reduction Strategy and monitoring progress
4. To develop and promote the Trust approach towards Good Corporate Citizenship
5. To promote staff engagement at all levels and the development of leadership competencies to delivery carbon reduction
6. To develop a Communications Strategy to raise awareness of individual impacts, achievements and targets within the organisation and externally
7. To identify and work effectively in partnership with all relevant stakeholders in this agenda
8. To scope national requirements and interpret into local context
9. To ensure that sustainability principles are embedded in all corporate policies, strategies, programmes and services
10. To identify evidence and models of good practice in the health setting and promote these within the Trust
11. Review opportunities/business cases for sustainability initiatives

Membership:

The membership of the Committee will comprise of the following:

Chair Director of Facilities and Capital Development (Board Lead for Sustainability)

Representatives from the following areas:

- Finance
- Human Resources
- Procurement
- Estates
- Travel Plan
- Communications
- Senior Nursing
- Medical

Appendix A

- Non Executive Director
- Governor

Frequency of Meetings:

The Committee would not normally meet less than four times per annum.

Reporting Arrangements:

The SDC will be a sub group of the HMG and report on a regular basis. Periodic reporting to Trust Board through the Board Lead for Sustainability.