



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 supplier¹ 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 Standard² and Guidance³, 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.

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

²Technical 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

³Guidance 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

Carbon Reduction Plan Template

Supplier name: MGL Group

Publication date: 02/01/2025

Commitment to achieving Net Zero

MGL Group is committed to achieving Net Zero emissions by 2050.

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.

Baseline Year: 2019-20	
Additional Details relating to the Baseline Emissions calculations.	
<p>In March 2022, MGL asked SmartCarbon to provide an outline proposal to review MGL Group's current carbon emissions reports and develop a broader reporting initiative to recognise the carbon emissions across all MGL business activities.</p> <p>We required specialist carbon emissions consultancy support to review existing reporting, establish a new comprehensive baseline report for the group, and develop processes and procedures to allow us to calculate and report group carbon emissions continuously.</p> <p>We adopted the SmartCarbon 3-Step climate change programme to enable the business to move from the point of commitment to learning more about how we create emissions, calculating and reporting our current emissions, and ultimately putting in place plans to reduce our impact.</p> <p>The reporting was done in accordance with the Greenhouse Gas Protocol corporate accounting and reporting standard, using UK conversion factors and the ONS dataset.</p>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	11,667
Scope 2	648
Scope 3 (Included Sources)	13,493 Purchased Goods & Services – 6,672 Capital Goods – 1,376 Fuel & Energy related activities – 2,695

	Upstream Transportation & Distribution - 964 Waste generated in operations – 1,370 Business Travel - 52 Employee Commute - 122 Downstream Transportation - 242
Total Emissions	25,808

Current Emissions Reporting

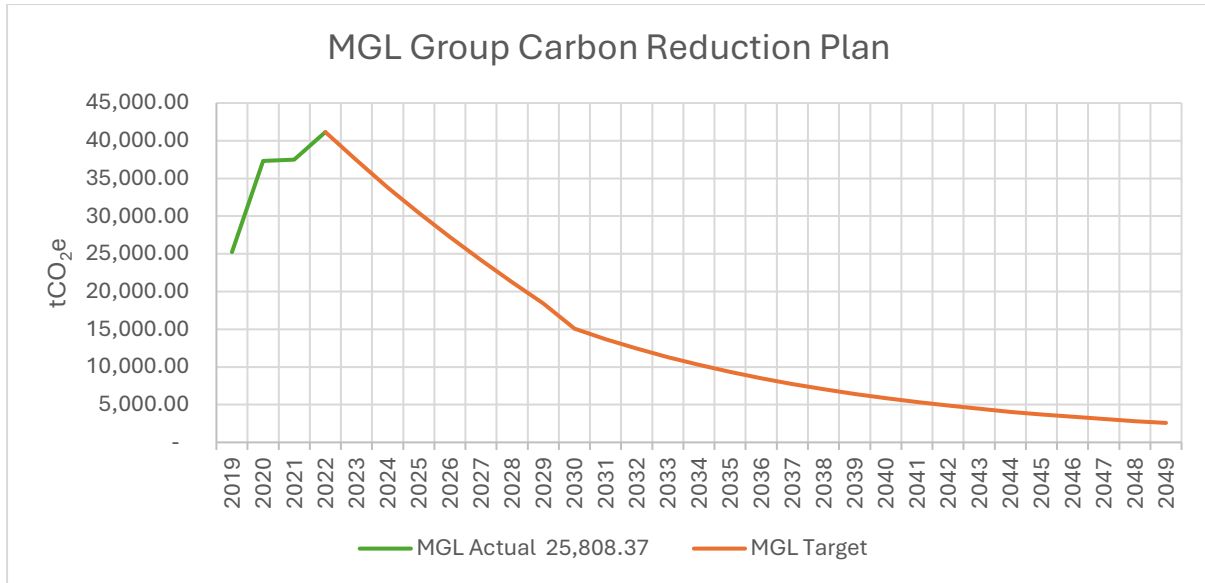
Reporting Year: 2023-2024	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	15,111
Scope 2	530
Scope 3 (Included Sources)	25,508 Purchased Goods & Services – 7,681.06 Capital Goods – 425.74 Fuel & Energy related activities – 3,421.11 Upstream Transportation & Distribution - 1,268.44 Waste generated in operations – 12,318.65 Business Travel – 46.60 Employee Commute – 147.24 Downstream Transportation – 198.73
Total Emissions	41,149

Emissions reduction targets

We have adopted the following carbon reduction targets to continue our progress toward achieving Net Zero.

We project that carbon emissions will decrease over the next five years to 17,005 tCO₂e by 2028. This is a reduction of 41.3%

Progress against these targets can be seen in the graph below:



MGL Group aims to reduce emissions by 90% and offset the remaining 10% to achieve Net Zero by 2050.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019-20 baseline. The carbon emission intensity reduction achieved by these schemes equates to 22,970 tCO₂e, a 35.82% reduction against the 2019-20 baseline. The measures will be in effect when performing the contract.

Carbon emissions increased in absolute terms due to business growth since the baseline. However, as mentioned above, the normalised carbon emissions intensity against growth shows that MGL Group has become carbon efficient in its business processes.

Many initiatives we have implemented were started/piloted in previous years and have since been scaled up and integrated into our core operations. This reflects that MGL Group takes innovation seriously as a core part of our business strategy and is always looking for new opportunities to assist us in decarbonising our activities. These efforts are part of our strategy to achieve a net-zero position across organisational activity.

Alongside the net zero objectives, we have seen a significant reduction in CO₂e emissions, achieved through various solutions backed up by robust data*, including the following:

1. Monitoring and Managing Carbon Emissions

- **Baseline Year:** 2019
- **Reduction Plan:** Established a comprehensive carbon footprint calculation and reduction plan.
- **Achievements:**
 - 29% intensity reduction between 2022/2023 and 2023/2024.
 - 36% reduction in emissions intensity compared to the baseline year.

2. Net Zero Asphalt Projects

- **Partnerships:** Collaborated with Durham County Council (DCC) and Low Carbon Materials (LCM).
- **Projects:**
 - **Elvet Hill Road:** Removed nearly 12,000 kg of CO₂e.
 - **Front Street, Sunnyside:** Removed 23,142 kg of CO₂e.

3. Heavy Goods Vehicles (HGVs) Fleet Initiatives

- **SulNOxEco Diesel Conditioner Trial:**
- **Carbon Savings:** Estimated reduction of 208,483.46 kg CO₂e to 275,677.61 kg CO₂e.
- **Fuel Savings:** 67,457 to 89,198 fewer litres of diesel per annum.
- **Financial Savings:** £73,528.13 to £97,225.82 per annum.
- **Fleet Management System:** Monitors vehicle speed and acceleration to improve fuel efficiency and reduce emissions.

4. Electric Vehicles (EVs)

- **EV Charging Points:** Installed at Durham Head Office and Newburn business premises.
- **Fleet Expansion:** 10 fully electric vehicles in the company car and van fleet.

5. Waste Management and Circular Economy

- **Recycled Asphalt Planings (RAP):** Utilised in new asphalt mixes to reduce the need for virgin aggregates.
- **LowTherm Additives:** Used in asphalt production to reduce energy consumption.

6. Energy Performance Enhancements

- **Net Zero Asphalt Projects:** Significant contributions to climate change mitigation.
- **Low-Carbon Materials:** Use of ACLA to produce net-zero binder course asphalt.

7. Carbon Measurement and Reporting

- **SmartCarbon Programme:** Utilised for accurate calculation and reporting of emissions.
- **Life Cycle Assessment (LCA):** Conducted to evaluate environmental impacts and identify areas for improvement.

8. Material Selection and Embodied Carbon

- **Circular Economy Principles:** Incorporation of locally recycled plastic and crumb-rubber waste into asphalt designs.

- **Soil Wash Plant:** Processes contaminated soils to produce high-quality recycled materials.

These initiatives demonstrate MGL Group's commitment to sustainability and reducing carbon emissions through innovative practices and strategic partnerships.

*Research data provided by MGL Group's Carbon Consultant (SmartCarbon).

Likely/proposed future carbon reduction projects are currently being investigated to understand the feasibility of the proposed schemes; however, this may include the following:

- Onsite renewable energy – wind/solar
- Plans to expand Net Zero Asphalt projects across a more significant proportion of the Council's Highways programme.
- Expanding the current fleet of EV vehicles for Business travel and employee commute
- Installation of a full-scale soil-washing plant, expected to be operational in Summer 2025. Processes contaminated soils to produce high-quality recycled materials.
- Installation of a concrete block facility to enable manufacturing using recycled materials
- Supply chain decarbonisation and changes in supply chain reporting methodology

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 standard⁴ and use the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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:

David Elliott – Chief Executive



Mark Davison - Chief Executive



Date: 02/01/2025

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

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

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