

The Task / Client's situation

For Tool Project Manager to draft and get client to review, amend and approve

- *What was the client's issue? i.e. why do they need to report/performance manage on sustainability? What problems were the issues causing? What are their key sustainability objectives? How were they expecting our Tool to help them achieve these objectives?*

Cadent is the county's largest gas distribution network supplying over 11 million people across the UK. Whilst they do not produce the gas themselves, Cadent are responsible for ensuring that this is transported safely from the place the gas is produced to people's homes and businesses. They do this whilst also pursuing ambitious targets to reduce their impact on the environment.

Cadent receives it's work from OFGEM, the government office of gas and electricity. As part of their obligations to OFGEM through their environmental action plan (EAP), Cadent are required to demonstrate how they are delivering on their commitment to protecting the planet. Within this EAP, Cadent have outlined ambitions to reduce carbon emissions from it's own operations (Scope 1 and 2) and it's supply chain (Scope 3). In the current RII02 price control period, Cadent have also chosen to be closer to its local delivery partners (LDPs). Cadent needed a specific tool that allowed them to measure their LDPs CO2 emissions and waste. This is where the Sustainability Tool came in; it provided Cadent with a Tool that allowed them to measure and calculate the carbon footprint of their supply chain. Suppliers were, and are, able to log into the Sustainability Tool and record this data themselves before it is verified by Cadent. For Cadent, this provided one centralised portal where all of this data could be collected, analysed and reported, as required by OFGEM.

The Outcome, Benefit and Lessons Learnt

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- *Who did we engage through sustainability reporting? What new insights have been gained through the Tool / achievements to date? What benefits have resulted (push key benefits of the tool here!).*

The use of the Sustainability Tool was rolled out in December 2020 across Cadents' supply chain in preparation for the first reporting period which was in April 2021. To ensure suppliers knew what data they needed to start collecting and how to report this, a number of demo sessions showing the Sustainability Tool were run. Continued support has been provided to ensure that Cadent employees, existing and new suppliers are comfortable reporting through the Tool. Monthly Health Check Reports are also provided showing which suppliers are struggling with reporting and allowing additional help to be provided to those who require it. These actions have contributed to Cadent having one of the highest reporting rates within the Sustainability Tool.

With the data collected, Cadent can fulfil the requirements outlined by OFGEM and understand where emissions are coming from in their supply chain. Identifying this has provided opportunities to reduce carbon emissions in a smart, effective and timely manner. Cadent have also provided support through speaking through online workshops, including through sharing their own experience of adopting the ISO20400 standard on Sustainable Procurement. Additionally, the use of the Sustainability Tool to collect data was recently recognised during Cadent's ISO 9001 and 14001 accreditation audit as an "area of observed strength", as noted by the auditor.

The use of the Sustainability Tool has gone beyond just allowing Cadent to meet their reporting obligations to OFGEM and provided them with a Tool that facilitates collaboration with suppliers, working with them to reduce carbon emissions.

"From the beginning Action Sustainability were very proactive, informative and brisk in enhancing and adapting their Tool to resolve the challenge that Cadent had with collecting large amounts of data from a diverse and widely distributed supply chain. Since implementation they have worked tirelessly to keep the solution current and dynamic."

Raj Neelakantan, Procurement Policy & Performance Manager at Cadent.

