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Arc Property Services Partnership Limited

Carbon Reduction Plan

10 October 2025

V1.0 – Issued

Delivering Real Value, **Together**

Working in partnership with Nottinghamshire County Council SCAPE

Contents

1. Baseline Emissions

Baseline Emissions, 2021/22
In this plan, we are working from an independently verified carbon emissions baseline for the 2021/22 financial year. All of our emissions reporting is undertaken in line with the standards of ISO 14064. *This plan includes Scope 3 emissions including Category 1 (purchased goods and services), category 3 (fuel & energy related activities), Category 5 (waste), Category 6 (Business Travel).* *NOTE: This plan excludes the construction phase emissions from projects delivered by third party contractors and funded by our clients. This accounts for the Gross and Applicable Turnover presented below. Arc Partnership manages and procures for Nottinghamshire County Council and other public sector organisations. This is not because we are ignoring this major source of emissions. Working alongside the council and Via East Midlands, we are committed to being accountable for the impact of these capital projects. We understand our professional responsibility, in line with our RICS and RIBA memberships and accreditations, to measure, manage and advise on the sustainability of the projects we work on. Based on industry data, we have estimated that the project or 'capital' carbon Arc Partnership influences is around 8,000 tonnes of CO2e per year.*

EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**5.41**
Scope 2	**21.54**
Scope 3 (Including Sources)	**3,314**
Total Absolute Emissions	**3,340**
Gross Turnover	*£33,848,936*
Annual Turnover (applicable)	**£11,250,956**
Emissions Intensity (tCO2 per £m)	**296.86**

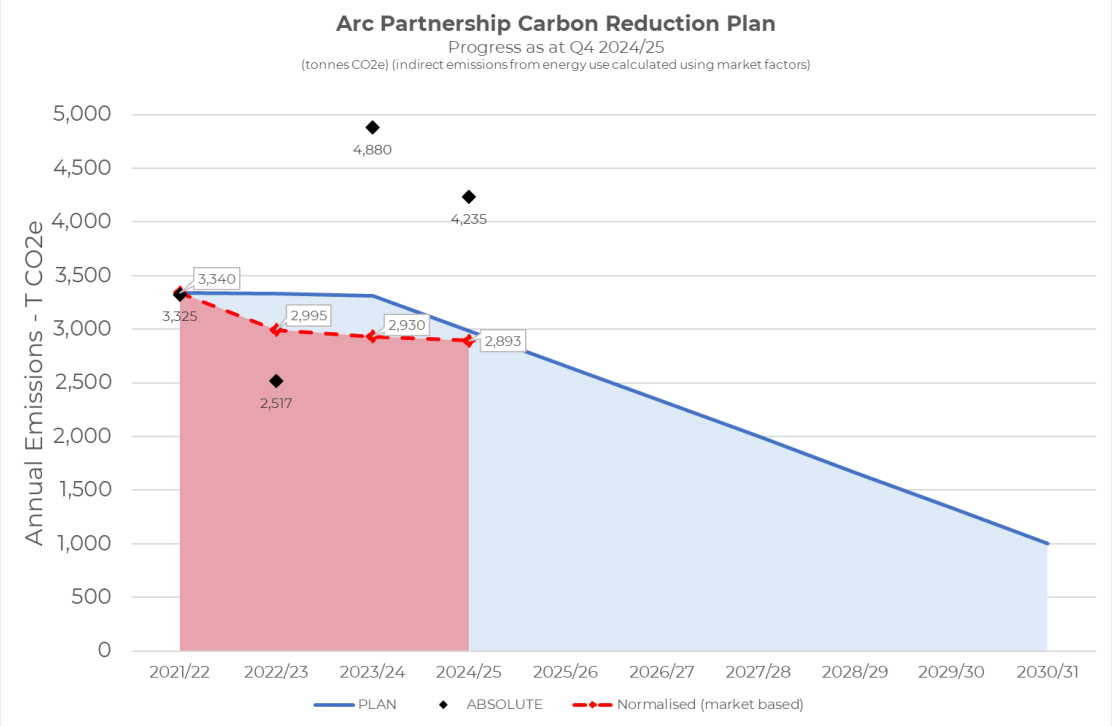
2. Latest Emissions Reporting

Latest Reported Emissions, 2024/25	
Our 2024/25 emissions have been internally compiled and independently verified. All of our emissions reporting is undertaken in line with the standards of ISO 14064.	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**0**
Scope 2	**13.42**
Scope 3 (Including Sources)	**3,314**
Total Absolute Emissions	**4,218**
Gross Turnover	*£70,732,414*
Annual Turnover (applicable)	**£23,071,367**
Emissions Intensity (tCO2 per £m)	**182.35**

3. Targets and Progress

3.1. Objectives

Our carbon reduction plan objectives are (i) to reduce our normalised emissions (adjusted for turnover) by 50% by 2028 and (ii) to reduce our emissions to a position of carbon neutrality as early as practicable; recognising dependency on industrial and manufacturing transformation..



3.2. Progress

We are pleased to report a year on year reduction in our absolute emissions of almost 13%. A modest reduction in emissions intensity (relative to turnover) of 1% has been achieved compared to 2023/24; with progress to reduce our normalised emissions slowing.

Since our baseline year, the emissions intensity of our business activity, has reduced by 38%.

	2021/22	2022/23	2023/24	2024/25
Carbon Intensity TCO2e / £1m turnover	296.86	188.67	184.61	182.28

This reflects the impact of divestment of diesel vehicle fleet, investment in energy efficiency of our office facility and some early progress in supporting lower carbon business travel.

4. Carbon Reduction Projects

4.1. Scope 1 Emissions (direct combustion emissions/fuel use)

4.1.1. Vehicle fleet:

We divested of our diesel vehicle fleet fully in 2021.

4.1.2. Progress summary:

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Diesel fuel use (fleet)	5.41 tCO2e	0 tCO2e

4.2. Scope 2 Emissions (direct energy use)

4.2.1. Office workplace emissions:

Our HQ office space in Nottingham is leased until 2028 and currently uses over 160,000 kWh of electricity a year. Arc Partnership is responsible for 48% of this consumption (64,830 kWh).

4.2.1.1. Projects completed:

Fitted out in 2018, the office has efficient, fully electric HVAC systems (heating, cooling and ventilation). Since our baseline year (2021) we have:

- Invested in energy efficiency; energy use intensity is now at a level of 88.9 kWh/m²/yr, 24% lower than pre-investment levels of 116 kWh/m²/yr;
- Sourced a REGO backed electricity supplier to ensure we only procure energy from renewable sources.

4.2.1.2. Future opportunities:

While we will continue to strive to reduce our intensity to industry benchmark levels, (CIBSE 65 kWh/m2/yr and LETI 55 kWh/m²/yr) we recognise that these performance levels may not be achievable until we move to a more modern facility after lease expiry. Our 2024/25 consumption is almost identical to the previous year, suggesting that we may have reached our foundation level of office energy use.

4.2.2. Progress summary:

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Office energy use (location based)	54 tCO2e	13.42 tCO2e
Office energy use (market based)	54 tCO2e	0 tCO2e

We have reduced our office emissions by 75% when calculated using location-based factors; or to zero if acknowledging our purchasing decisions.

4.3.Scope 3 Emissions (Purchased Goods and Services)

4.3.1. Energy Transmission emissions:

The emissions associated with the transmission of energy to our premises is beyond our direct, except by virtue of reducing our energy use as above.

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Energy use (distribution)	1.64 tCO2e	1.19 tCO2e

4.3.2. Business Travel:

We procure, design and deliver projects, maintenance and other advisory services across Nottinghamshire; some business travel is always essential. Business travel emissions arise from our "grey fleet" – the vehicles our employees own and use for work and passenger transport journeys.

The COVID 19 pandemic taught us that we can work smarter, and we have developed a balanced approach which combines office, remote and home working. In the short-term, making good decisions about where and when to work, and how we travel is key, but we cannot as an organisation preclude business travel by car.

In our baseline year 2020/21 we undertook just in excess of 100,000 miles in pursuance of business but a realistic normalised baseline of 136,000 miles annually was identified in 2022, once the impact the Covid-19 pandemic had been resolved.

4.3.2.1. Projects completed:

We have identified and promoted the opportunity for staff to share business journeys accruing a higher mileage rate as an incentive.

In 2025, we have put in place an electric vehicle leasing scheme for our workforce.

We have also adopted a rail travel application that allows us to promote rail travel as a sustainable option, using split ticketing and automatically gathering emissions data from train journeys.

4.3.2.2. Future opportunities:

We will continue to promote and advocate more sustainable travel options, recognising the constraints an operational business has in attending site and client meetings.

4.3.2.3. Progress summary:

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Business Mileage	130,000 miles	136,309 miles
Emissions	41.11 tCO2e	36.16 tCO2e
Emissions intensity	0.30 tCO2e/ mile	0.27 tCO2e/ mile

In 2023/24, less than 1% of our business mileage was completed using lower carbon forms of transport. In 2024/25, this proportion had risen to 7%.

We have reduced our total emissions arising from business mileage by 12% and the emissions intensity of every business mile travel by 10%. This despite an increase of more than 10% in both workforce size and turnover in the same period.

4.3.3. Supply Chain Emissions (general):

Action to manage and reduce our emissions through our in-house construction division and its supply chain are set out in the next section.

We have aligned our procurement approach to the Carbon Reduction Procurement Policy Note (06/21), taking a category management approach in assessing our supply chain's commitment to carbon reduction.

Away from construction site emissions, our substantive scope three supply chain emissions arise from five categories:

- IT equipment, goods and services including data storage
- Consultancy supply chain activities (business operations) – eg. audit
- Consultancy supply chain activities (projects) – incurred in delivery of client projects
- Events, marketing and hospitality activities
- Office HQ rent, rates and other FM activities

4.3.3.1. Projects completed:

We have established a framework for performance management of our key contracts, and KPIs to embedded in all contracts where required.

The IT department has developed monitoring arrangements for emissions linked to our core Microsoft services.

Our marketing team have established new policy in use of materials and website data.

We have established a suite of KPIs that address responsible business performance, including carbon management into all new contracts being let from 1/10/25.

4.3.3.2. Future opportunities:

We intend to develop buying standards for the use and purchasing of venues, accommodation and IT equipment.

We will embed carbon reduction into the procurement criteria for all suppliers over time and incrementally introduce carbon reduction targets into supply chain contracts.

4.3.3.3. Progress summary:

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Scope 3 emissions (non-construction)	71.19 tCO2e	158.50 tCO2e

Our scope 3 emissions (non-site) have increased commensurate with our turnover, which has more than doubled from £33.8m to £70.7m between our baseline year and this reporting year.

4.3.4. Supply Chain Emissions (construction works):

The activities of our in-house contracting arm represent the largest portion (more than 95% of our emissions). Operating as principal contractor, with the majority of trades dealt with through a local SME supply chain, our emissions from construction sites arise from:

- supply chain emissions, inclusive of material use, transport (workforce and materials), on site energy use and works activity and
- site waste management.

We have undertake a full independent review of carbon management and reduction opportunities in our construction operations, reported in August 2025 as follows.

4.3.4.1. Projects completed/under way:

We are commencing meter readings (where practical) from on-site client meters and /or installing clamp on meters to monitor power and water use on site, to be recorded at the start and end of each project commencing from [1st January 2026].

We are phasing out the use of diesel generators where practical and we have enhanced the specifications of our temporary site welfare and accommodation.

We are adapting site log books to commence capture of transport and delivery mileage.

We have launched our responsible business strategy to our supply chain, including new KPIs for use on all new supply chain contracts, including adoption for Nottinghamshire of the Carbon Reduction Code for the Built Environment asa supply chain maturity standard. The scheme is free to supply chain businesses and supports their skills development and competitiveness in a changing market, as well as ensuring our suppliers are better equipped to work with us in future.

We have worked collaboratively with our waste management partner to improve reporting and planning to reduce waste at source, eliminate landfill and promote recycling of materials.

4.3.4.1. Future Opportunities for Action:

Accurately capture carbon data on material usage by adapting pricing templates for subcontract packages to itemise material quantities, and develop an in house data base of material factors for use in projects/design work.

Work with designers to reduce footprint of materials where practical and affordable, adopting a RICS recognised carbon measurement tool to provide optioneering and accurate measurement of project carbon emissions.

4.3.4.2. Progress summary:

Emissions Source	Baseline (2020/21)	Current Year (2024/25)
Supply chain emissions	3,193 tCO2e	4023 tCO2e
Waste management emissions	0.69 tCO2e	2.96 tCO2e

Our scope 3 emissions (site) have increased commensurate with the business unit turnover, which has increased from less than £10m annually to consistently in excess of £16m per annum.

4.4. Workforce communications and engagement

4.4.1. Workforce education and buy in:

We recognise that our employees are crucial to the success of our carbon reduction commitments.

We will only be able to deliver this plan if our team understands why we need to act. They need to share our business ambition to do things differently and be given the information, support and ability to make those changes.

4.4.1.1. Projects completed:

Sustainability is an adopted value of the organisation since 2024. Our senior team have communicated and continue to communicate the importance of sustainability as a core business priority, embedded in our latest business plan launched in June 2025.

We have adopted the Carbon literacy standard, delivered training to all staff (and continue to train new starters), securing bronze and silver accreditations to date and ensuring core understanding of the technical challenge of carbon reduction is universal as a foundation to behavioural change.

We have launched an annual award for sustainability within the organisation.

4.4.1.2. Future Opportunities for Action:

Every choice made in the way we deliver our work impacts on the sustainability of the business and can reduce our footprint.

We will continue to advocate for the sustainable culture we need, and encourage proactive staff decisions that will have a lasting positive impact, including:

- Informed travel decisions
- Responsible use of data storage
- Choosing venues and accommodation that are lower carbon
- Using less energy
- Recognise and reward individual actions or outcomes

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