

CORPORATE RESPONSIBILITY

TRANSPORT

Bristol Workplace Travel Network



By Robert Spriggs

CONTENT

Corporate Responsibility (CR)

- What is CSR?
- Context
- 20 good reasons in 10 minutes

WHAT IS CR?

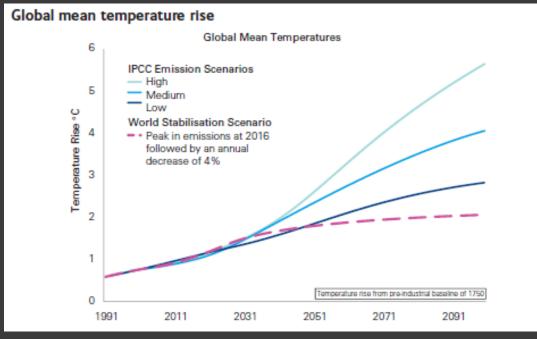
CSR is essentially a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment.

"Public policy also has a key role in encouraging a greater sense of corporate social responsibility and in establishing a framework to ensure that businesses integrate environmental and social considerations into their activities ...Business should be encouraged to take a pro-active approach to sustainable development in their operations both within the EU and elsewhere."

Source: 1 promoting a European Framework for Corporate Social Responsibility (EU 2001)

CONTEXT

Global temp increase $< 2^{\circ}$ C



Source: UKCP09 (2009)

UK Climate Change Act (2008)¹ GHG emissions

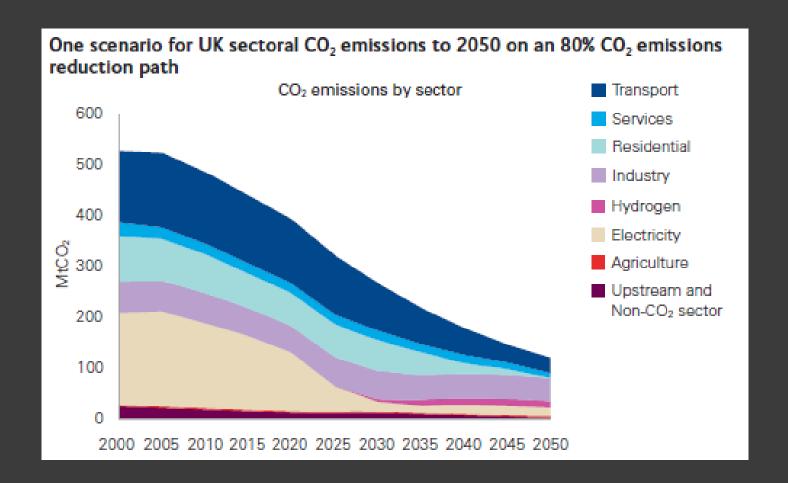
- down 34% by 2020
- down 80% by 2050

UK Carbon Budgets Order (2009) - Carbon budgets (MtCO₂e)

- Budget 1: 2008-12 = 3018
- Budget 2: 2013-17 = 2782
- Budget 3: 2018-22 = 2544

Source: ¹ Targets against 1990 baseline

CONTEXT



Source: UK Carbon Transition Plan MARKAL Model 2008

- scenario assumes 33% by 2020 and 80% by 2050 reduction respectively

CONTEXT

Business attitudes¹:

- Only 17% had emissions data or action plans
- Only 12.4% had climate change issues on website or CSR reports
- 93% of CEOs say sustainability is critical to future business²

Public attitudes³:

- 58% 'if Government did more to tackle climate change, I'd do more'
- 58% 'if business did more to tackle climate change, I would too'
- Issues the Government should be dealing with:
 - -57% the economy (8% in 2007)
 - -35% the environment / pollution (20% in 2007)

Source: ¹ Article 13 Report 'The FTSE 250 and Climate Change' (2008)

- ² 'A New Era of Sustainability' Accenture (2010)
- ³ DEFRA Survey of Public Attitudes Towards the Environment (2009)

20 GOOD REASONS

1. COST OF CONGESTION

- 5% reduction in travel time for business travel could generate £2.5 billion in cost savings
- this is the equivalent to 0.2% of GDP

Source: The Eddington Transport Study (2006)

2. EFFICIENCY







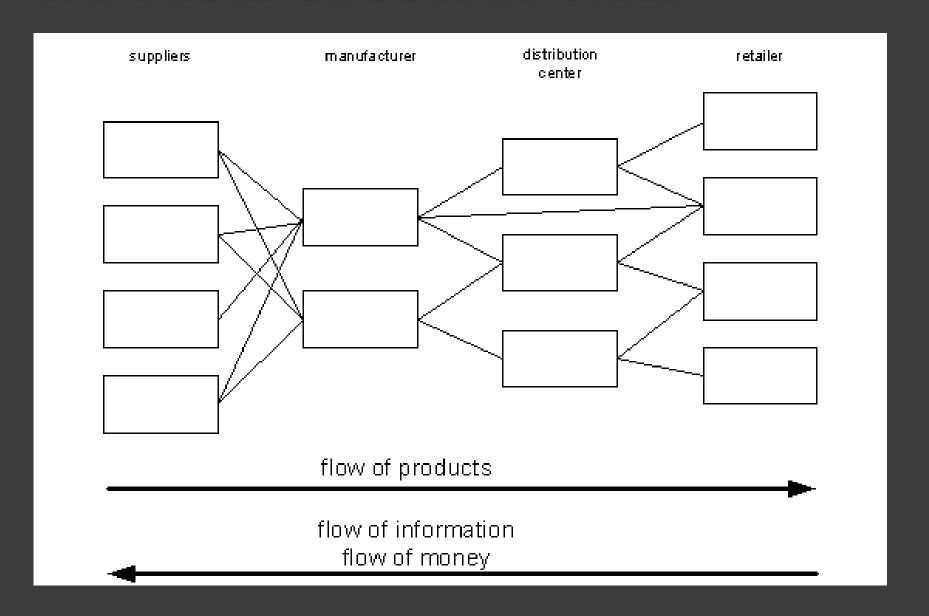
Electric NICE multitruck

7.5-12t Smith Edison Newton

44 tonne 6-axle (trailer with articulated rear axle)

Source: Stobbart

3. INFLUENCE SUPPLY CHAIN

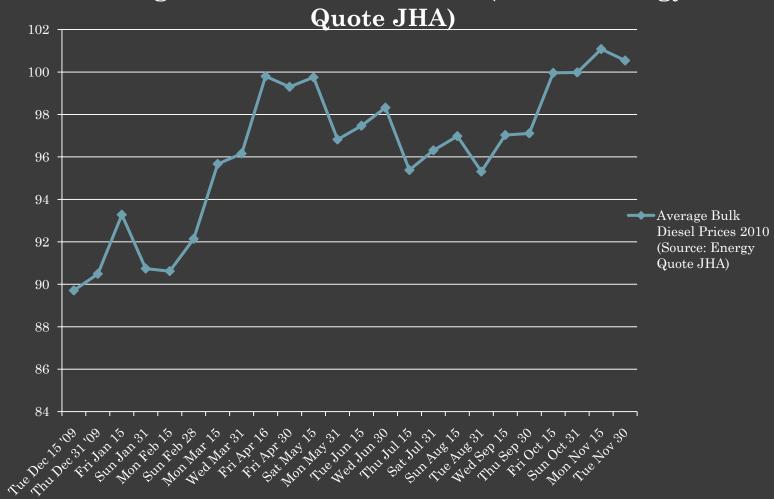


4. REVENUE

- Charge for parking
- Release car park land for development
- Design out expensive car parking

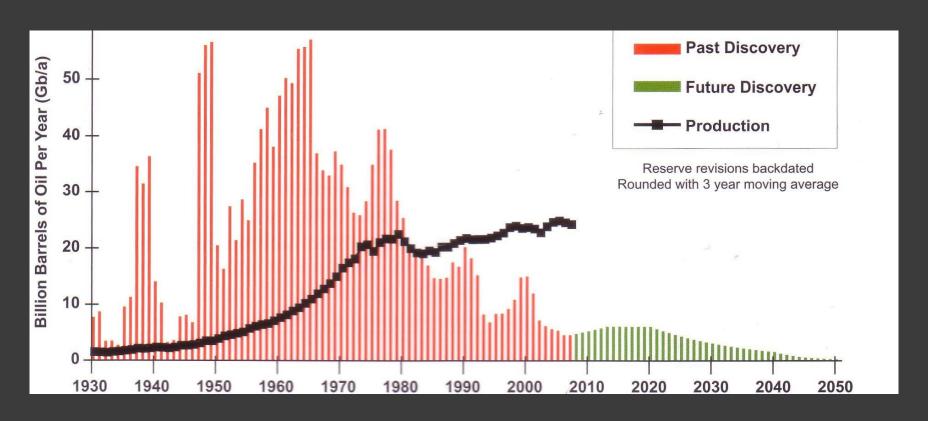
5. SAVING MONEY





6. RESILIENCE

Peak Oil



Source: Oil Depletion Analysis Centre and Post Carbon Institute (2009)

7. COMPETITIVE ADVANTAGE

- Environmental policy to win contracts
- Consumers value environmental credentials
- Increased productivity
- 'Companies which consistently manage & measure their corporate responsibility outperform their FTSE 350peers'
- Accreditations (ISO14001, BS 8555, CR Index, EMAS, CDP, GRI)









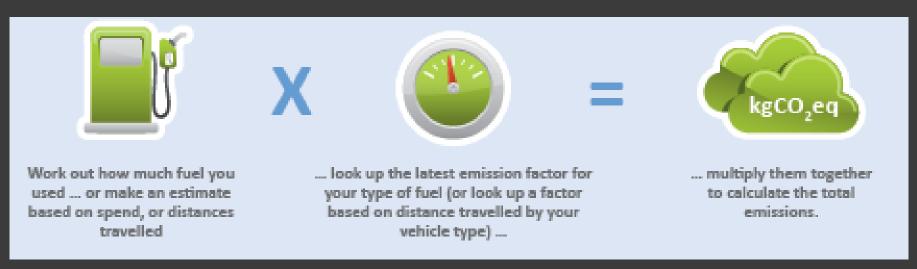
Source: ¹ Business in the Community CR Index (2009)

8. PROFILE

- Demonstrates awareness
- Responds to the modern agenda
- Marketing opportunities
- Example of efficient working practice
- Examples:
- BAA bus services Heathrow,
- Vodafone bus services Newbury
- Wessex Water bus services Bath

9. COMPLIANCE

- Companies Act (2006) Environmental Reporting
- EU ETS Emissions Trading Scheme
- CRC Carbon Reduction Commitment
- CCA Climate Change Agreements



"You can't manage what you can't measure"

Source: Carbon Guidance Brief Overview (DfT 2010)

10. TAX INCENTIVES

- Company car tax (CCT) emissions baed
- Vehicle Excise Duty (VED) emissions based
- Capital Allowance on cars emissions based

Emissions (g/km)	Capital Allowance
160	10 %
110	20 %
< 100	100 %

Note:

- Applies to 100% business use (Source: www.businesslink.gov.uk)

11. DRIVE TECHNICAL INNOVATION







2

Source: ¹ BAA

² Powabyke (www.powabyke.com)

12. ASSETS

- Save on...
 - Property
 - Equipment
 - Energy
 - Car parking
- Planning permission

Note:

- Employer providing a car parking space at of near work
- Employer paying employees parking fees at or near work
- ...then no Class 1 NI contributions or income tax on benefit (HMRC)

13. HEALTH AND HAPPINESS

- Moderate activity for 30 minutes 5 time per week¹
 (Just 37% of men and 24% of women achieve this)
- Employers to motivate employees to be more active²
- Cost of sickness absence £11.6bn (2003) > £13bn (2005)³
- Effectiveness of workplace health promotion



Beijing's Xidan Department Store www.china.org.cn (2010)

Source: 1 Dept of Health 'Health Survey for England (2003)

³ Salford University 'A Review of Effectiveness of Workplace...' (2007)

² Dept of Health 'Choosing Activity: a physical action plan' (2005)

14. CONSCIENCE





15. WE'LL PAY IN THE END

"...existing models that include the risk of abrupt and large-scale climate change estimate an average 5-10% loss in global GDP, with poor countries suffering costs in excess of 10% of GDP."

"Achieving these deep cuts in emissions will have a cost. The Review estimates the annual costs of stabilisation at 500-550ppm CO2e to be around 1% of GDP by 2050 - a level that is significant but manageable." *

Source: Stern Review: The Economics of Climate Change (2006)

* this was revised to 2% in 2008 due to accelerated climate change

16. LOCAL ENVIRONMENT



17. GREEN INCENTIVES

- Salary sacrifice on cycles and bus tickets
- Feed in Tariffs (FITS)
- R&D grants for green technology (Technology Strategy Board)
- Grants for green plant and machinery (inc charging points)

18. ACCESS TO NETWORKS



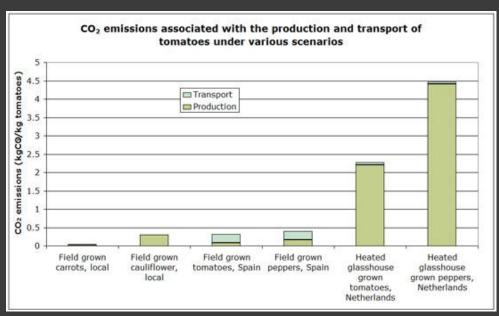




19. LOCAL WEALTH GENERATION



Spanish Tomatoes



Source: Riverford Farm

20. FAIRNESS

- Approx 25% of households have no car
- Sense of exclusion associated with ability to pay for parking (NHS)¹
- Example: Bus to Southmead Hospital 6x parking charge
- Example: RBH parking favoured consultants over nurses

Source: ¹ NHS Car Parking Impact Assessment (2009)

USEFUL LINKS

<u>www.netregs.gov.uk</u> legislation

www.envirowise.org.uk resource efficiency

www.businesslink.gov.uk tax

www.hmrc.gov.uk allowances and tax

www.dft.gov.uk policy and carbon tool

www.decc.gov.uk CRC, CCA and CCL

<u>www.hm-treasury.gov.uk</u> Carbon price

www.bis.gov.uk Low Carbon Industrial Strategy

ISO26000 Social Responsibility

www.bitc.org.uk CR Index



www.callidusgroup.co.uk

transport & engineering consultancy