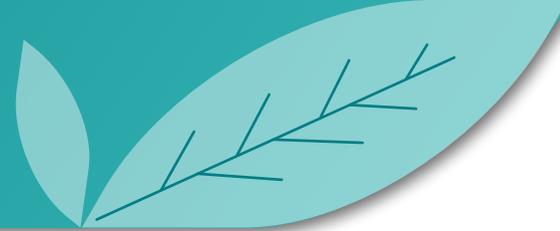# CORPORATE ENVIRONMENTAL STRATEGY

Greening ORR for a sustainable rail and road industry

March 2024

Contents

Foreword

Like the rail and road industries that we regulate, we know that we must do more as an organisation to reduce the impact we have on our environment and help create a sustainable future for all.

In our day-to-day work we have an important role to play in helping advance the UK's sustainable development goals and holding the road and rail sectors accountable for progress. As a result of our engagement with a variety of industry stakeholders, we have seen commitments and action plans on decarbonisation and sustainability, including new environmental commitments from Network Rail.

But as a corporate entity, we can also make a difference. We have important government targets to meet in this respect, under the 2021 to 2025 'Greening Government Commitments' (GGC), which set goals for reducing emissions and resource use in the UK government's estate and operations.

I am pleased to say that ORR has already reduced some of its environmental impacts substantially across several metrics in recent years. The Covid-19 pandemic and changing working patterns have clearly been a significant factor since 2020. But even before the pandemic, we were already seeing positive changes in reducing our impacts in areas such as paper usage and business travel emissions. We can, however, go further.

In our approach, we know that policies matter but won't be successful without everyone playing their part, especially our employees. In this strategy, a key focus is therefore how we can empower and engage our people.

As a small organisation, we have taken a proportionate approach to developing this strategy. We face some practical constraints, for example we are sub-tenants of office buildings that are largely controlled by others. Nevertheless, we have identified a strong mix of employee and organisational actions under the GGC's seven core themes of: mitigating climate change; minimising waste; reducing water use; sustainable procurement; nature recovery; adapting to climate change; and ICT and Digital.

This strategy benefits from feedback from colleagues and I thank them for their innovative ideas and passion for this topic. I hope it sets a strong foundation for the long-term sustainability of our natural environment and society, and the ability of ORR to continue to protect the interests of current and future road and rail users while reducing our own impact.

John Larkinson, CEO

The national context and how we play our part

The drive for sustainable development

In 2015, all member states of the United Nations agreed "a shared blueprint for peace and prosperity for people and the planet, now and into the future". At its heart are the 17 Sustainable Development Goals (SDGs), which now inform national and international environmental action.

Achievement of the SDGs is embedded in the UK government's domestic targets and ambitions. In 2019, the government declared a climate emergency and updated the Climate Change Act (2008) with a more ambitious, legally binding target for the UK to be Net Zero by 2050, and the Scottish government's ambition is to achieve Net Zero by 2045. In 2021 the Environment Act created a legal duty to have regard to environmental principles in policymaking, and last year publication of the Environmental Improvement Plan 2023 set out an updated vision for restoring and protecting the natural world.

The Greening Government Commitments

The government and its agencies can take action to reduce their own impact on the environment. The Greening Government Commitments (GGC), introduced in 2011 and subsequently updated, set out what is expected of public bodies like ORR.

In line with HM Treasury guidance, as a non-ministerial department ORR is required to report annually to Parliament against a set of GGC targets and sub-targets, which currently cover 2021 to 2025 and are against a 2017-18 baseline. These are listed in the table below. We expect a new set of GGCs to be developed from 2025.

The national context and how we play our part
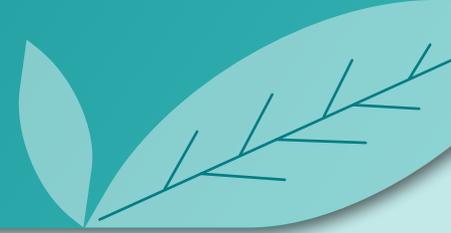
GGC A	**Mitigating Climate Change**	Reduce total and direct estate (scope 1 and 2) emissions from 2017-18 baseline
GGC B	**Minimising Waste**	Reduce waste generated by 15% from 2017-18 baseline
GGC C	**Reducing Water Use**	Reduce water consumption by at least 8% from 2017-18 baseline
GGC D	**Sustainable Procurement**	Continue to buy more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society
GGC E	**Nature Recovery**	Develop and deliver Nature Recovery Plans for departmental land, estates, development and operations
GGC F	**Adapting to Climate Change**	Develop an organisational Climate Change Adaptation Strategy across estates and operations
GGC G	**ICT and Digital**	Reducing environmental impacts from information communication technology (ICT) and digital
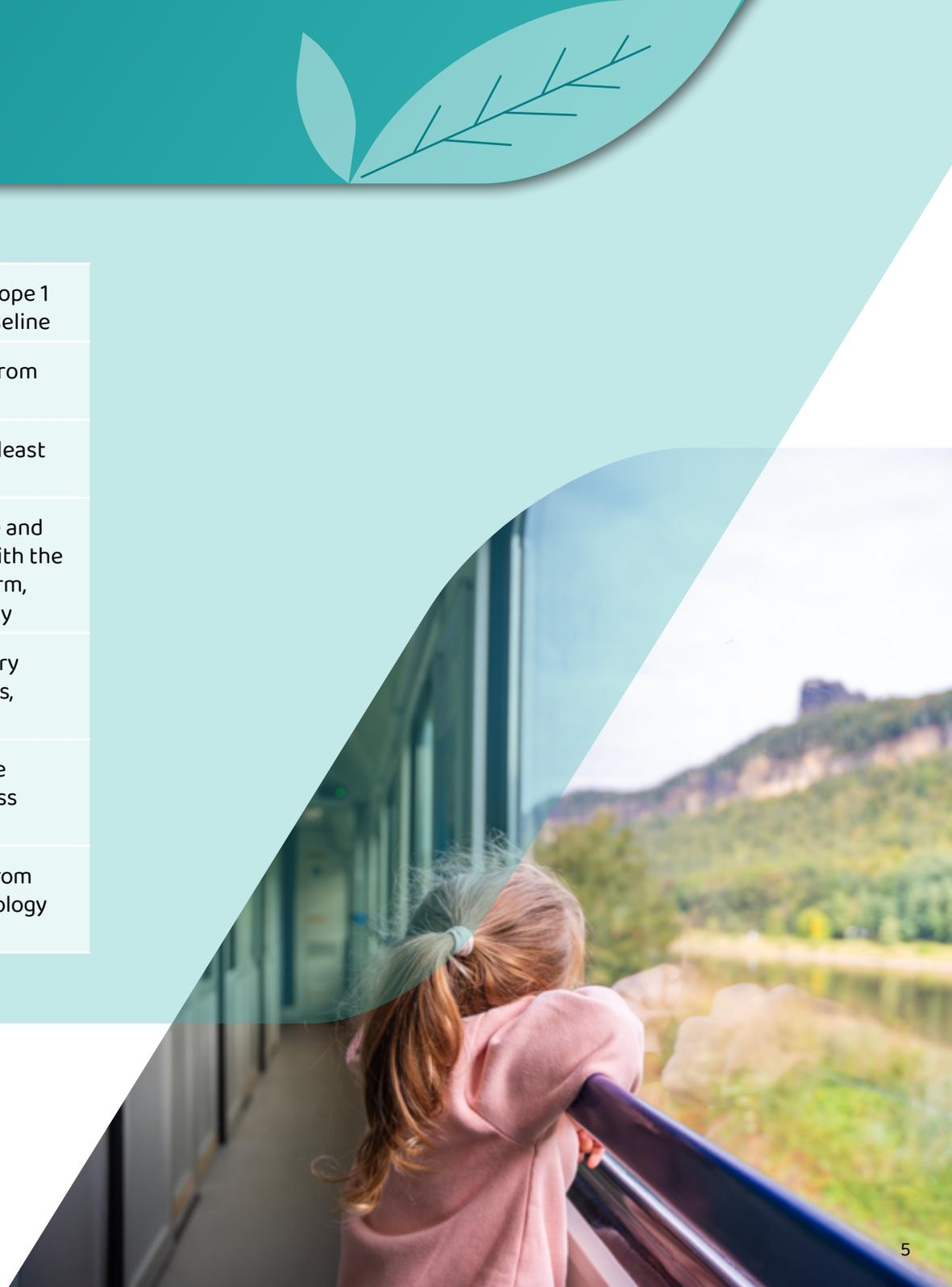
Our role as a regulator

Who we are

ORR is an independent, non-ministerial department, established by, and accountable directly to, Parliament. ORR protects the interests of rail and road users. We are improving the safety, value, and performance of railways and roads, today and in the future.

Influencing improvements in the sectors we regulate

Our regulatory functions give us significant and positive influence on the environmental impact of the rail and road industries, and our engagement with stakeholders has shown that this is an increasingly important issue they would like us to address.

The sectors we regulate have a huge environmental impact. For instance, as highlighted in our annual rail emissions statistical release, rail traction emissions alone constitute 2.2 million tonnes of CO_2 equivalent. If we can make even a very small contribution to reductions in sector emissions, this dwarfs our own environmental impact as an organisation.

We focus on the areas where we can add the most value, using our powers appropriately to encourage and build on the positive actions already being taken across the industry. Both the rail and road industries face significant challenges in adapting to climate-related weather events and reducing transport emissions. Progress is being made in a number of areas, and teams across ORR continue to support industry to achieve their sustainability goals, including the governmental ambitions of a net zero railway in England and Wales by 2050 and in Scotland by 2045.

ORR has statutory duties relating to the environment. In 2022, we published our sustainable development policy statement, setting out how we incorporate sustainable development principles into our regulatory functions.

Our role as a regulator
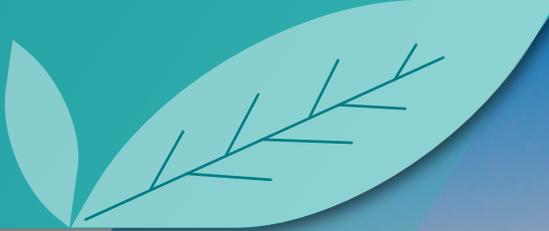
Some of the key actions we have taken to help drive environmental improvements in industry include:

- refreshed guidance to railway licence holders on their environmental arrangements followed by a review of their environmental policies, governance and objectives;

- stronger environmental targets for Network Rail for its next funding period, including a requirement to report progress on reducing Scope 1, 2 and 3 carbon emissions, biodiversity net gain, air quality, and a more circular economy;

- working with Network Rail to support improvements to their Weather Resilience and Climate Change Adaptation Plans;

- advice on environmental priorities to the supply chain and governments; and

- incorporating environmental considerations into the Third Road Investment Strategy.
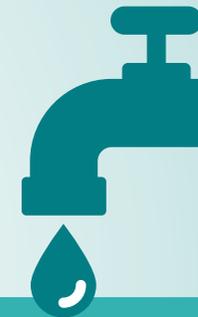
In January 2024, we were invited by DEFRA to contribute to the UK government's fourth round of climate adaptation reporting (ARP4). Our report will inform the next statutory Climate Change Risk Assessment (CCRA4) aiming to improve understanding of the road and rail industries' resilience to climate change.

Our own impact

ORR
OFFICE OF
RAIL AND ROAD

We have **370** people

We emitted **116** tonnes of CO_2 in 2022-23 through electricity and gas use in our London and Glasgow offices

We used **355** A4 reams of paper in 2022-23, an **83%** reduction compared to 2017-18

We are located in **6 offices** across the UK (London (HQ), Birmingham, Bristol, Glasgow, Manchester, York), generally sharing with other civil service departments

We use **1285** cubic metres of water per year in our London office – almost half of what we used in 2017-18

Compared to 2018-19, in 2022-23 our total waste produced has reduced by **75%**

100% of the electricity supplying our London HQ is renewably-generated

ORR receives an annual budget of **c£40m** from government and the rail industry

Our business travel accounts for **125** tonnes of CO_2 a year, including getting our Inspectors to site visits

Our progress to date

The Greening Government Commitments require us to report against a 2017-18 baseline. Where data has been available, we can see that positive progress has been made since then on reducing our carbon emissions from energy use and business travel and in cutting our office waste and water use.

The immediate and longer-term impacts of the Covid-19 pandemic have clearly been a significant factor in some of the largest reductions. For example, in 2020-21, emissions from our domestic flights went down by 98% (compared to 2017-18) and ongoing changes to working patterns have affected resource use in offices. However, we were already seeing a downward trajectory in many areas before the pandemic, and it is vital that this continues through our own proactive policies and initiatives.

	2017-18 baseline*	2022-23**	% reduction	GGC headline targets
Emissions from electricity, gas and oil (tonnes CO_2)	277	116	58%	✓ Reduce overall greenhouse gas emissions from the 2017 to 2018 baseline
Business travel emissions (tonnes CO_2)	256	125	51%	
Total waste (tonnes)	20	5	75%	✓ Reduce the overall amount of waste generated by 15%
Water use (m³)	2329	1285	45%	✓ Reduce water consumption by at least 8%
Paper use (A4 reams)	2158	355	83%	✓ Reduce paper use by at least 50%

*(London and Glasgow) ** (Latest available figures, capturing London data for the full financial year, and Glasgow data until November 2022). The scope of our carbon reporting is aligned to the UK government's Sustainability Reporting Guidelines and covers our Scope 1 and Scope 2 emissions, and our business travel Scope 3 emissions

What we will do as an organisation

As an organisation we will look to continuously improve and exploit opportunities to reduce our environmental impact, wherever possible.

ORR is a relatively small organisation and as sub-tenants we don't have full control over the majority of our office spaces outside London, making us dependent on our landlords for improvements in energy and water consumption, for example.

However, we can deliver improvements through activities such as internal communications campaigns, influencing our landlords and suppliers, our travel policies, and monitoring of our environmental data.

Here are actions that ORR will take to contribute to achieving our Greening Government Commitments:

Energy

- **Report our London energy usage data** and incorporate newly-available data on energy usage and emissions for our Manchester, Bristol and Birmingham offices into our public reporting from this year.

- Ensure that **energy consumption data is available on a quarterly basis** when relocating into new offices.

- **Measure and record the actual energy consumption of common pieces of equipment** (such as laptops, fridges) to understand their actual energy demands and inform future procurement choices.

- Work with our office landlords to **move to a renewable energy supply** for buildings where we are sub-tenants.

- **Develop our carbon reporting to include our Scope 3 emissions** (i.e. from activities that we don't directly control but are in our supply chain), in line with future climate disclosure requirements.

- For appliances we own (such as fridges and microwaves), replace them with **more energy efficient models once they reach the end of their lifespan**. For appliances we lease (such as printers, photocopiers), review whether we really need them before renewing the lease.

- Ensure non-essential appliances (like TVs) are **switched off when not in use**.

What we will do as an organisation

Sustainable travel

- **Promote the sustainable travel hierarchy** in our updated Travel & Subsistence policy, for example encouraging colleagues to choose electric vehicles when hiring a car for business travel where practical.

- **Raise awareness of our existing cycle to work scheme** and encourage the use of public transport for commuting.

- Remind colleagues that flying for business travel should only be considered under specific circumstances, and continue to **monitor our flight emissions data.**

- Ensure that all future **office locations are within easy reach of good public transport** options to encourage the use of public transport when commuting.

What we will do as an organisation

Waste reduction and recycling

"Provide more segregated waste bins around the office and make it clearer what goes into them."

Reduce

Reuse

Recycle

Recover

Dispose

Waste management hierarchy

- **Report our London waste** and incorporate newly-available data on waste and recycling from our Manchester, Bristol and Birmingham offices into our public reporting from this year.

- **Encourage colleagues to follow the waste hierarchy of "reduce – re-use – recycle – recover - dispose"**, so that we continue to meet our GGC target of a 15% reduction in waste.

- Work with our landlords **to improve the types, quantity and signage of recycling facilities in all offices,** to increase recycling rates and reduce waste going to landfill.

- Use a registered WEEE-waste provider for our electronic waste and look to **re-use ICT and other equipment as a preferred alternative to disposal.**

- Investigate whether it is practical to **donate our re-usable ICT waste to charities**, possibly nominated by our people.

- Liaise with our facilities management supplier to work towards **removing all single-use plastic in our office goods**, like stationery, refreshments and cleaning products, once current stocks are exhausted.

- Encourage colleagues to consider how they can **reduce their own single-use plastic consumption.**

- Continue to offer **food waste bins for colleagues** at all offices.

- **Remind colleagues to 'think before they print'** to maintain the substantial reduction in paper usage achieved over recent years.

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What we will do as an organisation

Water

- **Report our London water consumption** and incorporate newly-available data on water consumption for our Manchester, Bristol and Birmingham offices into our public reporting from this year.

- **Identify opportunities to reduce our water usage**. For instance, we already have controls on our taps and toilets that reduce water consumption and dishwashers in our London office are controlled by the cleaning team to reduce use.

- Work with our landlords to ensure they **implement water-saving measures**, such as fixing leaks, auditing appliances and installing sensor taps and low flush toilets.

Purchasing

- **Develop a buying strategy for ICT procurement,** which will include environmental considerations, to comply with the Government Buying Standards.

- We will **incorporate environmental considerations into our procurement policy** and our tender evaluation processes, with guidance as to when these considerations are relevant and proportionate.

What we will do as an organisation

ICT and Digital

- **Sign up to STAR, the Sustainable Technology Advice and Reporting** team that manages and delivers GGC on ICT reporting.

Climate change adaptation

- **Develop a climate change risk assessment for ORR's London HQ** and contribute to our landlords' overarching adaptation efforts in our regional offices, followed by an action plan for any mitigations needed to increase resilience.

Engaging our people

- **Support colleagues to create a network for environmental advocates** to identify and implement local initiatives, engage with our local landlords, and organise volunteer days that contribute to environmental objectives.

- **Organise a knowledge-sharing session** or seminar on sustainability and environmental issues.

What we can do as employees

Energy

We all have a part to play, and ORR's people are at the heart of delivering environmental improvements in our day-to-day operations. We know from feedback that our people are engaged and passionate about sustainability issues.

People are encouraged to take actions in the workplace, home office and when travelling, and will be empowered and supported by to do so.

Here are some things we can all do to contribute to the Greening Government Commitments:

- Discuss environmental opportunities with colleagues and get involved with staff networks on environmental issues.

- Look at local solutions appropriate for your office and build a sense of community in taking positive action forward.

- Take part in (or even consider delivering) an internal webinar on an environmental topic of interest to you.

- **Contribute best practice ideas on how to be energy efficient** in the office and when working from home.

- Save energy by **turning off your office appliances at the end of each working day** – don't leave them on standby.

"If we all turned off our monitor screens at the end of each day, instead of left on standby, each little bit of energy saving would help."

What we can do as employees

Sustainable travel

- Its important we meet our colleagues and stakeholders face-to-face from time-to-time, so please **consider the sustainable travel hierarchy** in all your travel decisions – for work, when commuting and in your own time – taking the environmentally friendly option where practical.

- Sign up for ORR's **cycle-to-work scheme** if cycling works for you.

Travel hierarchy

Active travel

Public transport

EV hire

Car share

Fossil fuel car

What we can do as employees

Waste reduction and recycling

- **Follow the waste management hierarchy:** reduce – re-use – recycle – recover - dispose.

- **Think before you print** and continue to help ORR reduce its paper use.

- Learn about and understand **what waste is recyclable** and what isn't.

- Use the kitchen bins to **compost your food waste** from your lunch and snacks.

- Look at how you can **reduce your own use of single-use plastic** in your home, office equipment or for anything you bring into the office, like your lunch.

Water

- **Try not to waste water.** Turn off taps and report any leaks or drips to your facilities team.

"We could consolidate car journeys on some visits by carrying another colleague – ORR expenses allows employees to claim for this."

Purchasing

- **Include consideration of sustainability** in any large tender processes you are responsible for in your day-to-day work.

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# What we can do as employees

Nature

- **We all have five volunteer days available to take each year.** Get together as a team and take part in nature volunteering, like tree planting or habitat management, in your local area – it's fun, healthy and helps nature recover.

- Bring plants and nature **into the office to improve the working environment**.

Climate change adaptation

- Let your facilities teams know **how your local offices cope in extreme weather** and contribute any ideas you have for improvement.

ICT and Digital
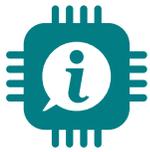
- **Look after your IT equipment** and avoid any unnecessary waste.

"We should remember not to print out documents unless necessary."

Next steps

Sustainability beyond 2025

This is ORR's first focussed environmental strategy, setting out a plan of internal initiatives that we will take forward to meet our immediate 2025 targets under the GGCs.

We will continue to deliver many of these activities beyond 2025, as part of our support for the longer-term sustainability and Net Zero agenda and to respond to the priorities of our wider stakeholders. We will therefore review and refresh this strategy in response to a new set of GGCs, evolving national policy and the continued feedback and encouragement of our people.

Next steps

Ensuring continuous improvement

In the short term, we will strengthen our environmental governance to monitor the delivery of the initiatives set out in this strategy. Owners have been assigned to each action in an internal action plan, and the Director of Corporate Operations will be accountable for overall delivery of the strategy. Progress will be reported to our Executive Committee and Board through the Quarterly Business Reviews, with narrative reporting on progress to be included in our annual report.

Our commitment to sustainability is strong. We will continue to learn, challenge ourselves and exploit opportunities that arise to become greener in all aspects of our work.

To ensure continuous improvement, we will:

- Develop information and resources available to our people to support and empower their action;

- Begin establishing baseline data in anticipation of the next round of GGCs;

- Thread sustainability through the organisation and our business strategy and policies, for example continuing to make links with procurement and travel policies;

- Continue to encourage ideas, feedback and sharing of good practice through communications channels such as staff events and our intranet.