



Environmental sustainability round-up

April 2021



This round-up provides a brief update on the latest developments in environmental sustainability both within the NHS and the wider finance profession.

HFMA's recent outputs

- [Financial green light blog post by John Williams](#)
- [HFMA Audit Conference session \(see more below\)](#)

Websites to visit

- [NAO – environmental sustainability publications](#)
- [Climate Change Committee](#)
- [The climate coalition](#)
- [Capitals coalition](#)
- [Institute of Healthcare Engineering and Estate Management](#)
- [The Good Governance Institute](#)

In the news...

Environmental tax measures

In February 2021, the National Audit Office (NAO) published a report that examined the impact of environmental tax measures. Tax measures are an important tool in implementing environmental policy and HMRC is responsible for the process to create, observe, and assess the tax regulations in place. This report from the NAO examines how successful they are in each of these categories. You can read the [summary](#) and the full [report](#) on the NAO's website. The report concludes that environmental tax initiatives are a great way to incentivise businesses to be more socially responsible and there is evidence that taxes can have a positive impact on the environment. However, this evidence is limited, as there is more of a focus on the impact that environmental taxes have on generating capital. It would be beneficial for HMRC and HM Treasury to examine the environmental impact, as this would allow them to consider other taxes and reliefs which may help reach the government's goal to achieve net zero greenhouse gases by 2050.

Making the net zero business case

NHS England and NHS Improvement have recently been holding focus groups discussing how to put forward the best business cases for climate action. This considered the strategic imperative set down by the [Delivering a Net Zero NHS](#) document and how HM Treasury's



green book guidance and wider 'better business case' approach and training, can best support finance managers, but also energy and estates teams. HM Treasury's better business case approach at its core does two things:

- provides a decision-making framework that a range of stakeholders can progress in a structured, evidence building process.
- provides a way of documenting decisions, stakeholder views and that evidence build as a reference source.

HM Treasury's better business case approach includes the 'five case model' and draws on the *The green book* principally for the economic case. Details of the better business case approach and training can be found [here](#) including checklists, templates, supplementary guidance and information on access to training and accreditation in best practice business cases.

NHS Forest

NHS Forest is a project organised by the [Centre for Sustainable Healthcare](#). The NHS Forest can provide between 10 and 1000 trees to NHS sites in England this year, thanks to funding from the Green Recovery Challenge Fund (delivered by the National Lottery Heritage Fund in partnership with Natural England and the Environment Agency). The NHS Forest works to:

- spark projects that encourage a sense of community
- improve the wellbeing and health of patients, staff, and the general public, by increasing green spaces close to NHS sites
- locking in carbon and creating greener air for the surrounding environment.

The Covid-19 pandemic has proven that green spaces and being surrounded by nature are vital for our mental wellbeing and we must protect them. Moreover, air pollution is the biggest environmental threat to our health in the UK and causes over 28,000 premature deaths each year. The work that NHS Forest undertakes is not only vital for improving our mental health but it also helps reduce cost pressures facing healthcare each year by creating cleaner air. The next tree planting season will begin in November 2021 and you are able to sponsor a tree to increase the number that NHS Forest will plant. You can find out more information [here](#).

Want to read more? Try these:

- [Climate emergency: the NHS responses required](#) – The Good Governance Institute
- [A healthcare engineering roadmap for delivering net zero carbon: A best practice guide for healthcare estates](#) – Institute of Healthcare Engineering and Estate Management (IHEEM)
- [Covid-19 and Europe's environment: impacts of a global pandemic](#) – European Environment Agency
- [Achieving government's long-term environmental goals](#) – NAO
- [Managing flood risk](#) – NAO
- [Achieving net zero](#) – NAO
- [Reducing carbon emissions from cars](#) – NAO
- [Environmental tax measures](#) – NAO
- [Sixth carbon budget](#) – The Climate Change Committee
- [The path to net zero and progress on reducing emissions in Wales](#) – The Climate Change Committee
- [Net zero carbon buildings: a framework definition](#) – UK Green Building Council

Salix Finance Funding

The [Public Sector Decarbonisation Scheme](#) (PSDC) has now closed and healthcare has received a significant amount of the funding. Out of £1 billion funding available, healthcare has secured £260 million of it and an additional £15 million is still in the process of being confirmed. One of the key aims of the *NHS long-term plan* was to abolish the use of coal heat sources, and organisations which are still using these heat sources have now been granted the funding to ensure that the commitment will be reached. Unfortunately, the PSDC was heavily oversubscribed with over £3 billion worth of applications and only £1 billion available funding. This may encourage the UK government to run a scheme parallel to this in the near future.

26th UN Climate Change Conference: Ministerial meeting emphasizes the impact of finance

The UK COP26 Presidency convened a Climate and Development Ministerial meeting on 31 March 2021. Ministers outlined the urgency for access to various types of finance in order to rapidly decarbonise their economies and aid with the environmental recovery from Covid-19. Ministers recognised the challenges that lay ahead, including reporting requirements, finance flows, and the harmony of aligning finance with national plans. We expect to hear more on the topic at the conference, particularly on how to align finance with national plans. Furthermore, it is becoming increasingly evident that there needs to be a large scale-up on financial funding, both across private and public sectors. Advice on this topic from experts could help NHS finance leaders meet net zero targets. Read more about other key topics covered at the meeting [here](#).

Upcoming events

- [A healthcare engineering roadmap for delivering net zero carbon](#) – Wednesday 14 April, these will become available on demand, including:
 - [Decarbonising the NHS in the context of national policy](#)
 - [Introducing a healthcare engineering road map for delivering net zero carbon](#)
 - [Nottingham University Hospitals NHS Trust, a practical example of progressive decarbonisation](#)
- [Sustainability in healthcare](#) – Thursday 22 April
- [Introduction to sustainable healthcare](#) – Thursday 22 April / Friday 23 April
- [Earth Day webinar](#) – Thursday 22 April
- [Waste and sustainability conference 2021: A net zero NHS](#) – Thursday 29 April
- [Sustainable technology in the NHS](#) – Thursday 6 May
- [ACT: International Treasury week – Deal or No Deal? The EU's green ambitions in a post-COVID world - session 3](#), Wednesday 13 May
- [The NHS sustainability day of action](#) – Friday 4 June
- [Building business resilience: how collective leadership will reverse nature loss](#) – Monday 15 June
- [Leading the change – the CFO's role in sustainable business](#) – Friday 9 July

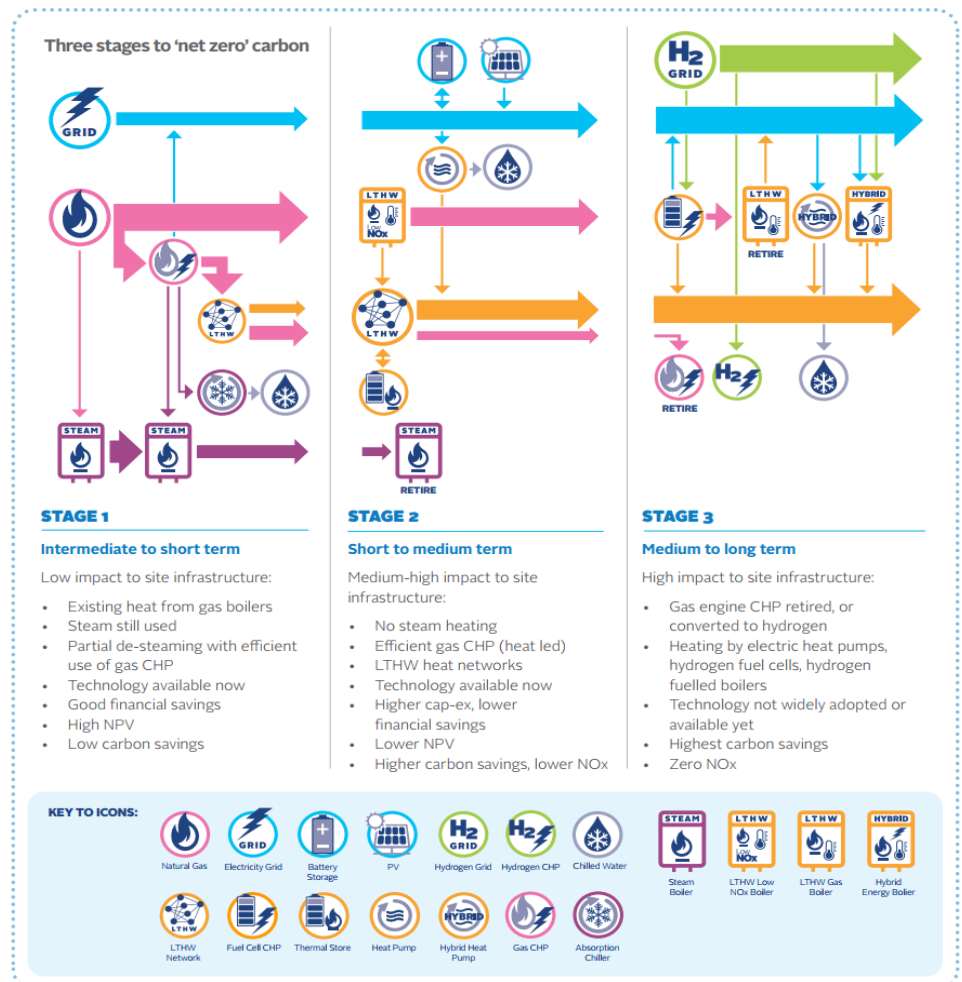
HFMA's Audit Conference - Climate change and the role of NHS boards session

HFMA's Audit Conference ran a virtual session on climate change and the role of NHS boards. Pam Warhurst, from Incredible Edible, enthused attendees as she discussed the importance of a local approach to sustainability and how grassroots organisations inspire local organisations and local health services, resulting in system changes. As an example, [Incredible Edible](#) was created through local gardening and food projects that encourage behavioural change toward the environment and

inspire communities to come together to build a better, more sustainable planet. Additionally, the conference heard from Tim Ballard, from the CQC, who discussed how they are improving their sustainability through estates management, development of a sustainable management plan, and appointment of a board sustainability non-executive director. The session also discussed the role that boards and non-executive directors can play in sustainability, including repurposing equipment and how to engage local population to live healthier lives.

A healthcare engineering roadmap for delivering net zero carbon in estates

IHEEM and HEFMA, in partnership with the Carbon and Energy Fund, have recently published a report which focuses on the different stages to reach net zero carbon within healthcare estates. The report also examines the infrastructure within estates. This image on the left is taken from the publication and summarises each stage that will need to be taken.



Source: An energy road map for delivering net zero carbon emissions by 2040. A best practice guide for health care estates.

The Accounting for Sustainability (A4S) Academy

The A4S Academy is a chief finance officer sponsored programme which empowers and equips finance teams with the skills needed to succeed in the face of environmental and social risks. With the ambition to close the skills gap and accelerate action on sustainability, this programme is perfect for educating financial colleagues in the NHS. The Academy is an 18-month programme which is delivered online. The course includes interactive seminars and planning to help participants to implement the insights gained into their business. All academy learning is **free**. Further details can be found in the [Academy brochure](#).

This briefing was written by Charley Spicer, policy and research executive, HFMA, with support from HFMA's Environmental Sustainability Special Interest Group which works to highlight good practice in embedding environmental and social sustainability in the NHS.

About the HFMA

The Healthcare Financial Management Association (HFMA) is the professional body for finance staff in healthcare. For nearly 70 years, it has provided independent and objective advice to its members and the wider healthcare community. It is a charitable organisation that promotes best practice and innovation in financial management and governance across the UK health economy through its local and national networks.

The association also analyses and responds to national policy and aims to exert influence in shaping the wider healthcare agenda. It has particular interest in promoting the highest professional standards in financial management and governance and is keen to work with other organisations to promote approaches that really are 'fit for purpose' and effective.

The HFMA offers a range of qualifications in healthcare business and finance at undergraduate and postgraduate level and can provide a route to an MBA in healthcare finance. The qualifications are delivered through HFMA's Academy which was launched in 2017 and has already established strong learner and alumni networks.

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