

Hartwell PLC Case Study

About Hartwell PLC

Established in 1919 in Oxfordshire, Hartwell PLC is a leading automotive group representing Ford car and commercial vehicles. As well as Ford, Hartwell also represent Fiat cars in Abingdon. With eleven locations based across the UK, they are delighted to assist customers with their motoring needs and have built a reputation for providing exceptional customer service and the highest quality vehicles.

About CUB

Established in 1994, CUB is a third generation, family run energy consultancy business. Operating using good old-fashioned values CUB are proud to have established and maintained long term relationships with many of its largest customers, some of which have been clients since day one!

CUB specialise in Energy Procurement, with the addition of providing support for customers on energy efficiency, compliance, reporting and other utilities such as water. CUB has maintained excellent long-term relationships with many of its customers by staying one step ahead of the market. The latest additional service that they have assisted customers with is Demand Side Response (DSR).

Hartwell PLC established a relationship with CUB back in 2009 and we have been managing there contracts ever since. Most recently CUB however have completed some compliance work for them for Streamlined Energy and Carbon Reporting (SECR)

SECR

The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 introduced a requirement that quoted companies must disclose their annual emissions and an intensity ratio in the Directors' report.

Since April 2019 the scope was widened to include unquoted companies meeting certain criteria this is the UK Government Streamlined Energy and Carbon Reporting (SECR) policy. The SECR regulation is designed to increase awareness of energy costs within organisations to help reduce the impact of climate change. SECR runs in line with the Energy Savings Opportunity Scheme (ESOS) however the difference between the two is ESOS is reported on every four years whereas SECR is reported annually and SECR focuses on emissions whereas ESOS is more energy usage.

Companies that fall within the following definitions must comply unless they meet certain exemption criteria:

1. Quoted companies of any size that are already obliged to report under mandatory greenhouse gas reporting regulations.
2. Unquoted companies incorporated in the UK that meet the definition of 'large' under the Companies Act 2006 will have new reporting obligations. This applies to registered and unregistered companies. Note that the criteria for 'large' differs from the ESOS Regulations
3. 'Large' Limited Liability Partnerships (LLPs) will be required to prepare and file a 'Energy and Carbon Report'.

Unquoted companies or LLPs are defined as 'large' if they meet at least two of the following three criteria in a reporting year:

- a turnover of £36million or more;
- a balance sheet of £18million or more; or
- 250 employees or more.

CUB contacted all of their customers that we believed would qualify, and Hartwell PLC wanted our help to put together the report required.

"Our 2020 year end was the first financial year end captured by SECR reporting. CUB assisted us professionally and speedily in providing a report with all the necessary information we needed for accounting disclosures along with other information which will be helpful in defining our energy strategy moving forwards."

Andrew Lemmon – Financial Director – Hartwell Plc

Why Choose CUB?

When a company finds itself meeting the above criteria, they must file a SECR report annually with their normal Directors report. They can either compile a report themselves or employ a trusted company to complete this on their behalf.

One of the main reasons that a company would choose to employ an outside entity to compile their SECR report is the peace of mind knowing that they will meet their regulatory requirements, but they can also save time having to convert their raw data into the figures required for the report

The requirements of a SECR report include:

- Scope 1 & 2 emissions
- Some travel-related Scope 3 emissions
- Associated energy and fuel data
- Previous years data
- Energy efficiency actions
- Intensity ratio
- Methodology

All raw figures must be converted to and presented in kWh, they also must be converted into greenhouse gas emissions (tCO₂e).

CUB can have a discussion with the client and describe what data is required based on the company – what can be excluded, what sort of intensity ratios they would find useful in the report and how best to gather the data required.

Once CUB has all the data required, they can convert it all in kWh's, then into the greenhouse gases: KG of CO₂ equivalent, KG of CO₂, KG of CH₄, KG of N₂O and where required the KG of biogenic content of petrol and diesel in CO₂.

With all the data in hand CUB will compile the report, working closely with the client to create best intensity ratio discuss energy saving actions taken and compare with previous years data where applicable.

Beyond SECR

Some companies are interested in going above and beyond the minimum requirements of the SECR report or are interested in creating a report simply to help their customers calculating their downstream emissions and CUB can facilitate this