

How Welfare Hire's Eco & Social Value Calculator can help rail contractors to measure their environmental impact

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Environmental, Social and Governance (ESG) ratings are increasingly important – not least, for organisations serving the rail industry.

With Network Rail now seeking to carry out whole life carbon (WLC) assessments of infrastructure projects worth £1 million and more, it is essential that firms understand – and can report on – their own emissions.

However, measuring ESG can be challenging. In this article, we explore that challenge and look at how Welfare Hire's specially-designed Eco & Social Value Calculator can help.

Why measure environmental impact?

To validate sustainability strategies

In a 2021 Rail Environment Policy Statement, the Department for Transport stated that "achieving greener



construction on the railway and the rail estate will be crucial to help us deliver net zero carbon emissions by 2050" – adding that Network Rail would set "high standards for its supply chain".

Indeed, sustainability is at the heart of some of today's most significant rail projects; HS2 has embraced everything from carbon-reducing concrete to Formula 1 technology in a bid to reduce its own carbon footprint.

Contractors must take note, reviewing their practices and developing a robust and workable sustainability strategy. This must be backed with real results – without real data, it's all just guesswork.

To enable targeted solutions

Once you have data on the emissions and environmental impact of your equipment and materials, you can make better-informed decisions about how to improve things. You can target the most harmful – or easiest to improve – areas of your business first, establishing exactly how much these changes impact your overall ESG rating.

This is particularly important as construction firms are plagued by hidden emissions (often known as "embodied carbon"), which can lead decision-makers to overlook big sustainability wins.

To track progress

Net zero carbon and other sustainability goals are not short-term challenges, but rather long-term projects that require ongoing maintenance and monitoring. Data is crucial in this regard, enabling businesses to track and adjust their efforts over time.

When, for example, you switch suppliers and introduce a new model of mobile welfare unit, you would always assess the financial implications of the decision. And the same protocols must be in place to assess the effect a decision will have on your business's ESG rating.

To meet industry requirements[RC1]

In February 2022, Network Rail issued a guidance note update which stressed that the industry should seek to curb emissions at every stage of a project.

Simply put, Network Rail's updated project carbon reporting requirements cover Scope 3 emissions – those produced by contractors. Businesses will be expected to provide data using the carbon reporting tool developed by The Rail Safety and Standards Board (RSSB).

Despite a staggered rollout of these new requirements, the upshot is that most contractors will need access to clear, accurate data on their environmental impact.

What makes ESG ratings difficult to measure?

ESG is difficult to measure, in part because there is no single accepted way of doing so. A range of ESG



frameworks exist, and each will produce a different rating depending on the particulars of your company's activities.

Without a set of standardised criteria, many fear that ESG scores are unreliable indicators of a business's true environmental impact⁴. But for contractors serving the rail industry, this is not the biggest concern.

The biggest concern is that the average contractor's supply chain is large and complex, making assessing the overall impact of its activities challenging.

Suppliers should provide accurate data

Many suppliers are not forthcoming with information about their products' ESG credentials, making it difficult for rail contractors to gain full visibility of their own environmental impact. These suppliers might provide a full spec for their mobile welfare units but struggle to explain how products will impact your sustainability efforts.

With this in mind, Welfare Hire created its Eco & Social Value Calculator – a simple tool providing transparency to our rail industry partners and helping them to understand how each of our market-leading products will change their site's overall emissions.



The tool is based on rigorous research, which involved taking over 500,000 hire days' worth of live site data on our products and comparing it with the market standard. This enabled us to quantify the relative savings and environmental impact our product suite offers.



Why an eco-calculator?

Welfare Hire recognised that, with the rail industry's growing focus on sustainability came a need for more modern and eco-friendly on-site equipment – including welfare units. And, after we developed our range of mobile ECO welfare units, it became clear that customers would also benefit from a tool designed to help them understand the potential financial and environmental impact of this equipment.

What is it?

The Eco & Social Value Calculator produces a clear summary of the cost, carbon, fuel and even noise savings contractors could make, were they to invest in any of our lighting or welfare equipment. Simply select the products of interest and the expected duration of the project within the online tool and the expected savings can be seen at the click of a button.

How does it work?

We have been logging site volumetric data for over two years now, latterly bolstering it with digital telemetry. It's been a long process – but, by collating verified site data from hundreds of clients, thousands of projects and over half a million site days, we can now demonstrate how our units perform in reality, rather than in theory. It's this data that informs our unique calculator.

Whilst we will continue to develop its functionality, we are confident that the Eco & Social Value Calculator is already a highly useful tool. It will have significant benefits for our rail clients, whether they're looking to achieve their ESG goals, improve site performance, meet industry requirements, or save costs.



To find out more about Welfare Hire's ECO & Social Value Calculator and to see how we can unlock significant savings for your projects visit https://www.kellinggroup.com/eco-calculator/

