

NHS England and NHS Improvement
Skipton House
80 London Road
London
SE1 6LH

30 September 2021

Dear Supplier,

Roadmap for NHS suppliers to reach net zero by 2045

One year on from becoming the world's first health service to commit to reaching net zero carbon emissions, I am delighted to update you on the next stage of our sustainability programme and our plans to work together to deliver this ambition going forward.

Climate change presents a profound and growing threat to the health of the nation. Taking action now to reduce harmful carbon emissions will save lives and improve health, now and for future generations. The NHS is responsible for around 4-5% of the UK's emissions, with over 60% of our total carbon footprint sitting within our supply chain. This includes emissions from freight, the manufacturing of goods, catering, business services and construction, among others.

The decarbonisation of the NHS supply chain is therefore crucial if we are to become net zero by 2045. To meet our commitment we want to ensure all our suppliers are aligned with this ambition by 2030. We recognise that this requires collaboration with our suppliers; clear and long-term expectations; and a framework to help suppliers benchmark their progress.

Many of our suppliers have already engaged with us over the last year through relevant trade bodies, forums and surveys, helping us to shape our approach and I want to provide my personal thanks for your support. The feedback has been overwhelmingly positive, with many suppliers already demonstrating rapid progress to net zero and recognising that our approach is ambitious, but achievable.

The NHS England and NHS Improvement [Board](#) has approved further detail on our expectations of suppliers between now and 2030, in the following roadmap:

- **From April 2023**, the NHS will adopt the Government's '[Taking Account of Carbon Reduction Plans](#)' (PPN 06/21), requiring all suppliers with new contracts

for goods, services, and/or works with an anticipated contract value above £5 million per annum, to publish a carbon reduction plan for their direct emissions. From April 2024, the NHS will expand this requirement for all new contracts, irrespective of value.

- **From April 2027**, all suppliers with contracts for goods, services, and/or works for any value, will be expected to publish a carbon reduction plan that takes into account the suppliers' direct and indirect emissions.
- **From April 2028**, new requirements will be introduced overseeing the provision of carbon foot-printing for individual products supplied to the NHS. The NHS will work with suppliers and regulators to determine the scope and methodology.
- **From 2030**, suppliers will only be able to qualify for NHS contracts if they can demonstrate their progress through published progress reports and continued carbon emissions reporting through the supplier framework.

A supplier framework for benchmarking and reporting progress against these requirements will be available in 2022. We will continue to work closely with suppliers to refine the scope and methodology of our asks, ensure it aligns with international best practice, and to regularly assure the quality and accuracy of supplier responses.

Our approach builds on UK Government procurement policy. In addition to PPN 06/21, we will adopt the Government's [Social Value Model](#) (PPN 06/20) from April 2022, where all NHS tenders must include a minimum of 10% scoring criteria in all procurements to assess how suppliers will contribute to the NHS' net zero targets and social value in contract delivery.

We also recognise that not all suppliers are at the same stage of their net zero journeys and some face significant challenges. For those suppliers, I want to provide reassurance that we will account for the specific barriers that some may face and will support suppliers in over-coming them. We will continue to work with regulators, suppliers and supporting industry bodies so that all suppliers have an opportunity to align with NHS ambitions.

In addition, a two-year grace period on the key milestones and requirements leading up to 2030 will apply for small and medium enterprises (SMEs) and voluntary, community and social enterprises (VCSEs).

Product and process innovation will also be key to reducing supply chain emissions. To this end the NHS will continue to support innovation through competitions and awards, such as the [SBRI Healthcare competition](#) launched in June 2021.

We very much hope you will continue to collaborate with us on our sustainability plans, to make our planet healthier now and for future generations. We still have a long way to go and look forward to having our suppliers alongside us on the journey to net zero.

If you have any questions regarding this roadmap or any further feedback on how we can support you, please contact england.ptomsustainability@nhs.net.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'P. Bailie', is positioned above the printed name.

Preeya Bailie

Director of Procurement Transformation and Commercial Delivery
NHS England and NHS Improvement