# **Sustainable Supplier Forum**

Wednesday 26<sup>th</sup> January 2022 | 3pm – 4:30pm

While we are waiting for people to join, please go to menti.com on your mobile device and enter code: 6075 3915

NHS England and NHS Improvement



# Welcome & Objectives

NHS England and NHS Improvement



### **Menti Placeholder**

Name and organisation you are representing, How are you? (keeping it as one question so we don't have to leave the page)

# Agenda

ltem	Timing	Description	Lead
1	15:00 - 15:05	Welcome	<b>Preeya Bailie</b> , Director of Procurement Transformation and Commercial Delivery
2	15:05–15:20	Greener NHS Update	<b>Sarah Ouanhnon</b> , Senior Net Zero Delivery Lead, Greener NHS
3	15:20–15:50	<ul> <li>Programme Update</li> <li>PPN06/20</li> <li>PPN06/21</li> <li>Evergreen Pilot Approach</li> <li>Terms and Conditions</li> </ul>	Lisa Dittmar, Sustainable Supply Chain Engagement Lead Mark Francis, Sustainable Procurement Lead Alexandra Hammond, Head of Sustainable Procurement and Supply Chain
4	15:50–16:15	IHPN net zero approach and development	<b>Danielle Henry</b> , Head of Policy (Primary and Community) at IHPN (Independent Healthcare Providers Network)
5	16:15-16:30	Q&A, Next Steps and Close	All



### **Greener NHS update**

Sustainable Supplier Forum 26 January 2022

Sarah Ouanhnon, Senior Net Zero Delivery Lead, Greener NHS

NHS England and NHS Improvement





# A lot happened in Health & Climate Change...



https://www.who.int/initiatives/cop26-health-programme/country-commitments



### Press release

# UK health services make landmark pledge to achieve net zero

All 4 UK health services have united to commit to net zero carbon emissions, Health and Social Care Secretary, Sajid Javid has announced.





### ... and for the NHS!





### The NHS was represented in a number of events





# Leading Suppliers pledged to support our net zero ambitions

### thebmj covid-19 Research - Education - News & Views - Campaigns - Jobs

#### **Rapid Response:**

A commitment to decarbonise by 2045: an open letter to all NHS suppliers

As global leaders come together at the UN Conference of the Parties this week, we, the International Leadership Group for a Net Zero NHS, recognise that climate change poses an unequivocal threat to human health. Left unabated climate change will disrupt care, with poor environmental health contributing to major illnesses, such as asthma, cardiac problems and cancer.

Healthcare delivery contributes 4.4% of global carbon emissions. Therefore, healthcare systems and their supply chains are both part of the challenge and the solution, having a key role to play in supporting the response to climate change.

That's why the National Health Service in England became the world's first health system to commit to two ambitious yet achievable targets:

- Net zero carbon by 2040 for direct emissions
- Net zero carbon by 2045 for supply chain emissions

With 62% of the NHS Carbon Footprint Plus based within its global supply chain, there is an opportunity for suppliers around the world to demonstrate their commitment to the health of their employees, their customers, and the wider community, by working in collaboration with the NHS, to decarbonise operations in line with this target.

We understand that taking action on this agenda is complex, not least because our supply chains are global. It will require strong leadership, bold commitments, and a clear roadmap with intermediate targets. But it is critical if we are to support a healthier planet and healthier people.

That is why the members of the International Leadership Group for a Net Zero NHS, are standing side by side with the NHS, its staff, patients and the public, in support of a net zero health service and the improvement of health now and for future generations, by committing to reach net zero emissions by 2045 or earlier across scopes 1, 2, and 3.



https://www.bmj.com/content/375/bmj.n2425/rr-4



### ALB partners also joined our net zero journey



Professor Gillian Leng chief exeutive NICE is committed to exploring ways to incorporate environmental impact data in its guidance. This will send an important signal to technology manufacturers, distributors, and healthcare providers that environmental sustainability, alongside clinical and cost-effectiveness, is a key priority for the NHS.

NICE National Institute for Health and Care Excellence "HEE will help meet the NHS Net Zero goal through educating and training the future workforce; changing how we work; and improving our physical estate. If not now, when?"

**Lee Whitehead** Director of Corporate Accountability and Engagement, Health Education England

For better health now and for future generations.



NHS

Property Services

OUR 2021/2022 PLEDGE

To reduce our carbon emissions



The Secretary of State sent an open letter to all trust CEOs to reaffirm the NHS role in achieving net zero

### Correspondence COP26 and the NHS: Sajid Javid's open letter to all NHS trusts in England

Published 10 November 2021

Contents	
Introduction	
Our shared challenges	
The NHS's responsibility	
Action and support	
Next steps	

### Introduction

From: the Rt Hon Sajid Javid MP, Secretary of State for Health and Social Care To: All NHS trust CEOs

Dear colleague,

I also want to work with all NHS stakeholders to ensure that net zero and biodiversity are part of the very values and principles that underpin our NHS. As part of my statutory duties, I am required to conduct a review of the NHS Constitution. This will be launched next year, and I have asked my officials to ensure that climate issues are a key consideration in this work.

### Launch of our staff campaign



# Reduce emissions.

NHS

### **Reduce admissions.**

Fewer carbon emissions means fewer patients with asthma, heart disease, and cancer. Since 2010, NHS emissions have already been cut by 30%. Together, you and other staff can help us achieve even more.

Discover how the NHS is becoming greener. Search Greener NHS

HEALTHIER PLANET HEALTHIER PEOPLE

### **Publication of the Planning Guidance and Draft Standard Contract**



NHS Standard Contract

**Service Conditions (Full** 

NHS Standard Contract Team, NHS England

PAR906

england.contractsengagement@nhs.n

December 2021

2022/23

Length)

Classification: Official

Publication approval reference: PAR1160



# 2022/23 priorities and operational planning guidance

Version 2, 14 January 2022

updates from previous versions are highlighted throughout the document

"We will also continue to embed the response to climate change into core NHS business. Trusts and ICBs, once established, are expected to have a board-level Net Zero lead and a Green Plan, and are asked to deliver carbon reductions against this, throughout 2022/23."

13 | For a Greener NHS

Prepared by:

Version number:

First published:

Publication Approval Number:

# **Clinical fellow scheme**





### Chief Sustainability Officer's Clinical Fellow Scheme

Clinical leadership changing the face of healthcare for the future

### Applications for 2022/23 now open

Successful candidates will step out of clinical practice for 12 months to work in collaboration with senior leaders, teams, and partners to deliver on on key projects that will accelerate progress towards a net zero NHS and improve health now and for generations to come.

Apply by 23 February 2022 at fmlm.ac.uk | @FMLM\_UK | @NHSEngland #CFSSustainability

https://www.fmlm.ac.uk/clinical-fellow-schemes/chief-sustainabilityofficer%E2%80%99s-clinical-fellow-scheme

# Clinical fellow spotlight on...

I have been able to bring my clinical background to the role, working on projects related to reducing the environmental impact of anaesthetics and theatres, as well as projects that relate to reducing the environmental impact of models of care.

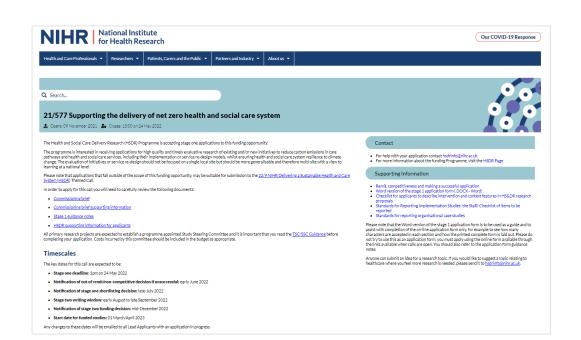




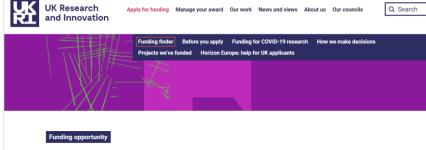


Dr Rebecca Taylor-Smith Chief Sustainability Officer's Clinical Fellow 2021/22

### **Research & Innovation**



https://www.ukri.org/opportunity/environmental-sustainability-in-life-sciences-andmedical-practice/?utm\_source=Twitter&utm\_medium=social&utm\_campaign=Orlo



#### Environmental sustainability in life sciences and medical practice

Opportunity status:	Open	Timeline
Funders:	Medical Research Council (MRC)	
Funding type:	Grant	Q 3 January 2022 00:00
Total fund:	£1,000,000	Opening date for outline applications
Maximum award:	£100,000	End of January (to be confirmed)
Publication date:	15 December 2021	Webinar about the call
Opening date:	3 January 2022	
Closing date:	1 March 2022 16:00 UK time	Closing date for outline applications

https://www.nihr.ac.uk/funding/21577-supporting-the-deliveryof-net-zero-health-and-social-care-system/29190

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Email: <u>greener.nhs@nhs.net</u> Website: <u>www.england.nhs.uk/greenernhs</u> Social media: <u>www.twitter.com/GreenerNHS</u> Ebulletin: <u>https://www.england.nhs.uk/email-bulletins/greener-nhs/</u>

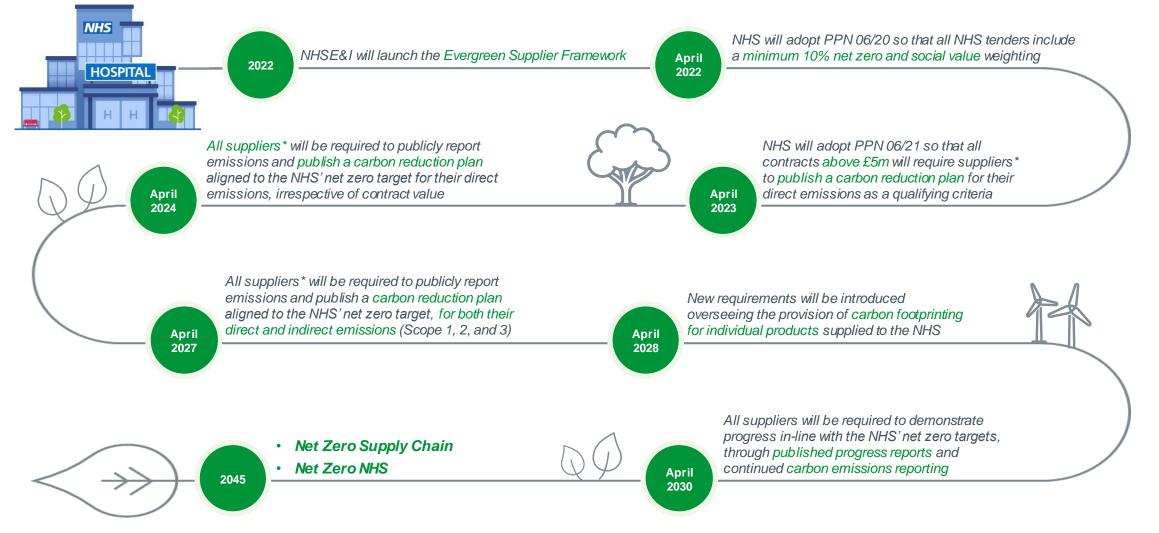
Thank you!

# Sustainable Procurement and Supply Chain Update

NHS England and NHS Improvement

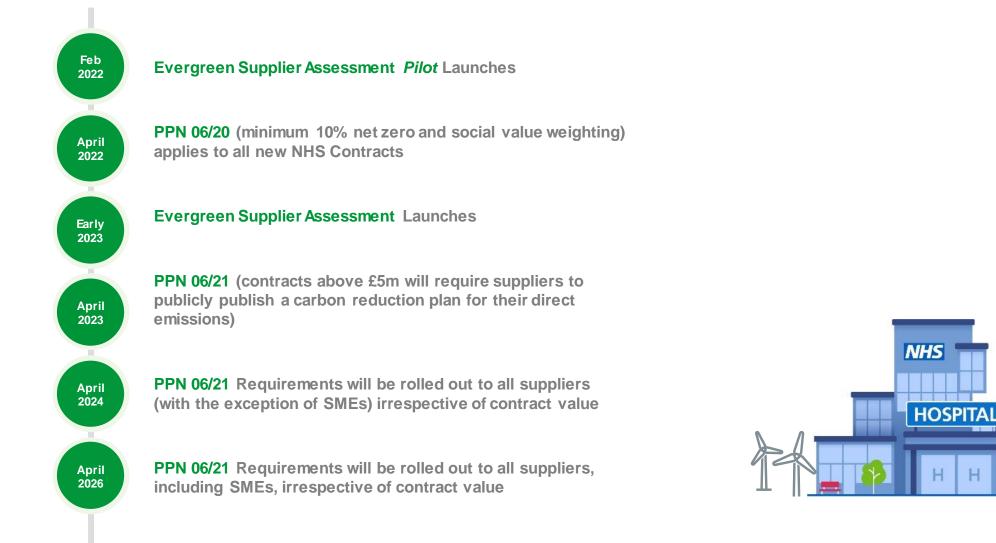


## Building net zero into NHS procurement – the Supplier Roadmap



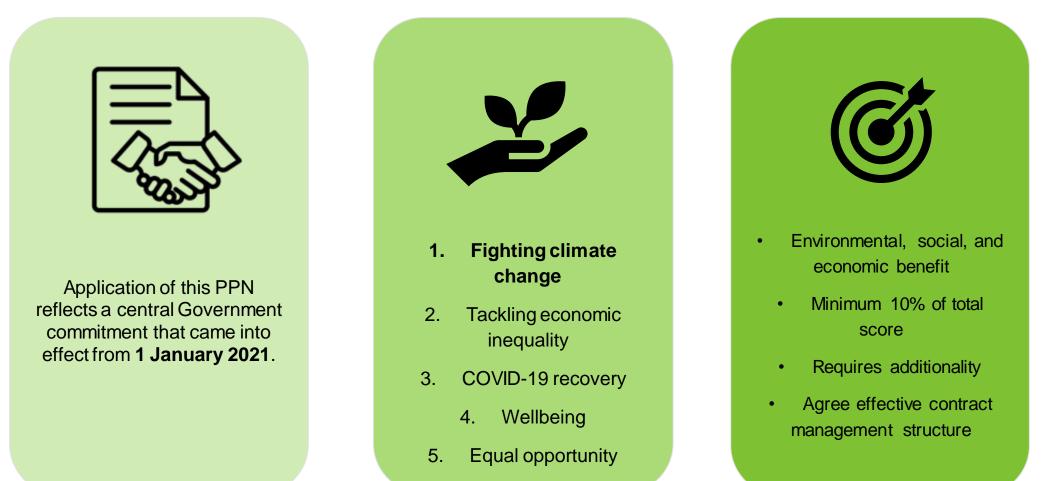
\*To account for the specific barriers that Small & Medium Enterprises and Voluntary, Community & Social Enterprises encounter, a two-year grace period on the requirements leading up to the 2030 deadline, by which point we expect all suppliers to have matched or exceeded our ambition for net zero.

### The Supplier Roadmap – Zoom in on key dates up to 2026



### Adopting PPN 06/20: The Social Value Model

The requirement to apply PPN 06/20 <u>The Social Value Model</u> came into effect from January 2021 for NHS England and Improvement. It mandates that a **minimum weighting of 10%** of the total score for the tender evaluation should apply to social value across five themes. **Net zero will be required in all procurements.** Guidance for NHS application will be published soon.



# Extending PPN 06/21: Taking account of Carbon Reduction Plans in the procurement of contracts above £5m

In April 2023, the NHS will adopt the Government's PPN 06/21 <u>Taking Account of Carbon Reduction Plans</u>, requiring all suppliers of new contracts with an anticipated value above £5 million per annum to publish a carbon reduction plan.



Application of this PPN reflects a central Government commitment that came into effect **30 September 2021**.



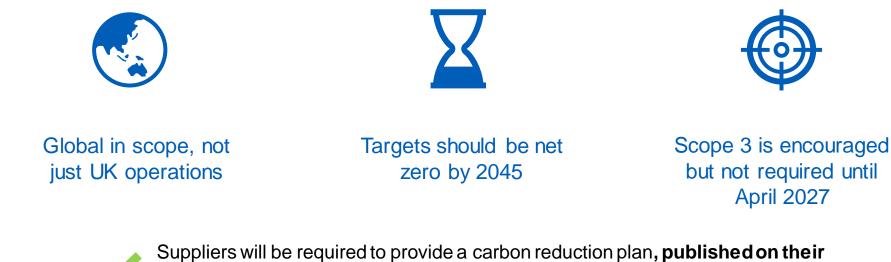
Analysis of **key supplier markets** has informed the development of the NHS approach and timing, which **gives suppliers an additional 18 months to prepare** for its application.



From April 2024, this will apply to all contracts with large companies, and from April 2026, will include **SMEs and VCSEs.** 

# Adopting PPN 06/21: taking account of Carbon Reduction Plans in the procurement of contracts above £5m

The NHS plans to extend PPN06/21 to NHS procurement from April 1 2023, and is considering several key distinctions align with the NHS commitments and the Evergreen Assessment.



website, confirming the supplier's commitment to achieving net zero, prior to entering into any contract.

Suppliers will likely need to share their plan with the NHS through the Evergreen assessment tool.

Note that SMEs/VCSEs will **not** be exempt from the PPN06/21 requirement for contracts over £5 million, but will be given a grace period of two years (until April 2026) for contracts under £5 million.

### **Questions for the Forum Members (for Menti)**

- 1. What percentage of your member base do you think will be affected by PPN06/21?
  - 1. Options: 0-25, 26-50, 51-75, 76-100%, I don't know
- 2. To the best of your knowledge, what scope of PPN 06/21 would be most achievable for your members?
  - 1. Global
  - 2. Regional (e.g. Europe)
  - 3. UK
- 3. To the best of your knowledge, what is a challenging but realistic goal date to which your members should align their carbon reduction plans?
  - 1. Net zero scopes 1 and 2 by 2040 and all scopes by 2045 (NHS ambition)
  - 2. Net zero all scopes by 2045 (NHS scope 3)
  - 3. Net zero vs 2050 (UK government timeframe)

### **Evergreen** The NHS Sustainable Supplier Assessment

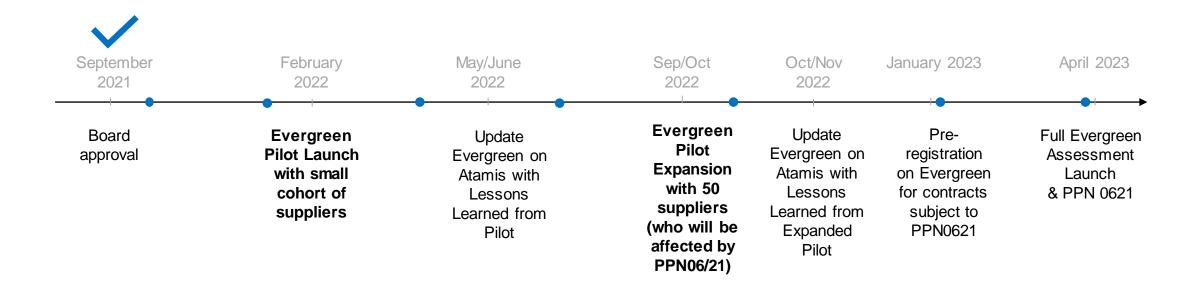
Evergreen creates a single centralised source of information recording how suppliers are aligning with the NHS's sustainability ambitions. Suppliers will be able to self-certify their achievement of our requirements, initially voluntarily.

Please note, details of qualifying criteria will be confirmed and updated during the Evergreen pilot this year.

Level 3: Influencer Leaders in sustainability	<ul> <li>All of level 2, plus:</li> <li>Recognised high performer via global sustainability reporting platform</li> <li>Publicly set targets <i>that are independently verified</i></li> <li>Demonstrates collaborative participation with fellow suppliers</li> <li>And at least one of the following:</li> <li>Embeds circular economy principles in and measures the carbon footprint of products and services and shares that with the NHS</li> <li>Show s leadership across the UN Sustainable Development Goals (SDGs)</li> </ul>
Level 2: Mature Comprehensive targets, plans, and action	<ul> <li>All of level 1, plus:</li> <li>Publicly demonstrates emissions reductions</li> <li>Publicly committed to targets in line with NHS Scope 3 targets</li> <li>Publicly published carbon reduction plan with carbon emissions reporting</li> <li>Conducts modern slavery audits in hotspot areas of their supply chain</li> </ul>
Level 1: Early Adopter Operational emissions targets and plan	<ul> <li>Meets the minimum expectation of all suppliers, plus:</li> <li>Publicly committed to emissions targets for scope 1 and 2 in line with NHS commitments</li> <li>Public ethical sourcing policy, supply chain risk assessment</li> </ul>
Minimum expectation of suppliers	<ul> <li>Comply with the expectations of the Supplier Roadmap</li> <li>Demonstrate social value through contract delivery</li> </ul>

• Supplier Forum

### **Evergreen Sustainability Assessment Pilot Key Dates**



# **Net Zero – Measuring Progress through CDP**

The NHS will be inviting 500 suppliers to disclose through CDP again in 2022, in advance of adopting the Evergreen assessment next year. Disclosing through CDP has multiple benefits for both suppliers and customers.

### **Supplier Benefits**



Track and benchmark progress - benchmark your environmental performance against industry peers and receive annual feedback on progress

Identify risks and opportunities – uncover emerging environmental risks and opportunities that would otherwise be overlooked

Protect and improve your company's reputation build trust through transparency and demonstrate environmental leadership



Boost your competitive advantage - gain an competitive advantage when it comes to performance on the stock market and winning tenders



Get ahead of regulation – prepare your business for likely future environmental legislation and reporting requirements

### **NHS-Specific Benefits**



Align with NHS reporting requests - align with future NHS Evergreen supplier reporting requirements



**Identify opportunities to collaborate** - systematically share collaborative opportunities to enhance progress across the NHS



Help shape the Greener NHS agenda - input into future planning of the NHSE&I Greener NHS agenda



Increase awareness of NHS scope 3 emissions drive system-wide understanding of supply chain emissions across healthcare

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Share sustainability data - provide sustainability initiative data that can support contract management and improve outcomes

# **NHS Terms and Conditions - Update**

New terms have been drafted with the support of partners, including ABHI. These will be published in Spring 2022.

Department: of Reality **New** NHS Terms The and Conditions for the Supply of Goods and the Provision of Services Guidance

Updated Terms and Conditions coming soon!

With thanks to the ABHI for their engagement and feedback

Highlights in the new version:

- Aligns to Net Zero Supplier Roadmap targets to meet or exceed NHS ambitions
- Mandatory requirement to include **net zero and social value deliverables** agreed at tender stage
- Evergreen Assessment to report Net Zero Roadmap
   progress
- Sets expectations for **Modern Slavery Reduction** throughout the supply chain
- Clear guidance on reporting annual recommended, 6monthly if contract-specific justification

### Supplier Forum Members – Key Points of Engagement

### Supplier PPN 06/21 Readiness Feedback -NHS England and NHS Improvement

The application of Procurement Policy Note (PPN) 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts has been mandatory for all new Central Government procurements launched from 30th September 2021. PPN 06/21 applies when in-scope organisations are procuring goods and/or services which have an anticipated contract value of £5m per annum and above (excluding VAT).

The NHS has made the following associated commitments:

 From 1 April 2023, the NHS will build upon PPN 06/21 so that all NHS contracts above £5m per annum will require all suppliers (inclusive of SMEs and VCSEs) to publish a carbon reduction plan for their direct emissions as a gualitying criteria;

 Further to this, from 1 April 2024, the NHS will require all suppliers<sup>4</sup> to publicly report emissions and publish a carbon reduction plan aligned to the NHS<sup>5</sup> net zero target<sup>44</sup> for their direct emissions, irrespective of contract value.

#### PPN 06/21: Market Impact Assessment

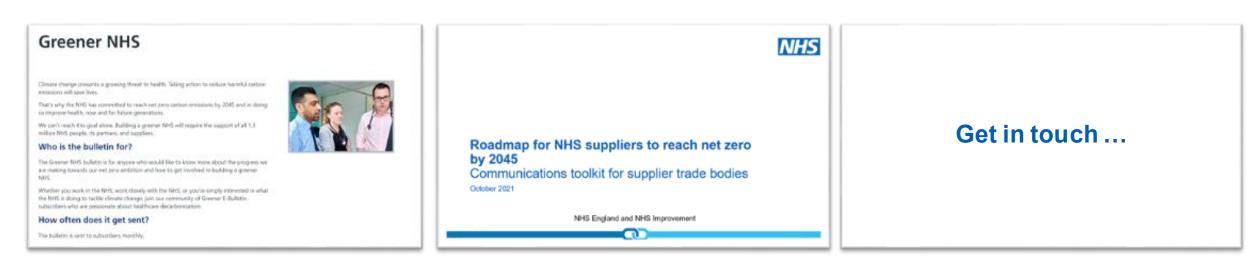
We are conducting a market impact assessment on PPN06/21 and it will feed into decisions for who we pilot Evergreen with in September. Can you please let your members know that if they believe that they will fall under this, either with NHSE&I, NHS Supply Chain or any individual ICS/Trust, that they fill out the short form to share their views? (5 questions – very short!).

Supplier case studi	es NH	
lease share supplier case studies on e	missions reductions that we can use in inable procurement currently in practice.	
Case study templets - hypothetical example using a	fictitious trade body and supplier	
Supplier name	e a WownRome	
Trade body	e.g Association of Waved Dressing Suppliers	
Bector	e g Clinical comuniables	
Product or Service supplied to the NHS	e.g.Wound docump	
Initiative	e.g Reduce emissions associated with packaging instemate and Reight	
Action	e.g. Switched to returnable packaging - muscle being, nacks, pallets, hand-bell containers to noise products safely and efficiently throughout the supply chain	
Impact - benefits to patients, savings, emissions reductions	e.g. 25% reduction in packaging emissions and 10% reduction in freight emissions in first year, equivalent to xee MCCDP reduction during 29/27 or taking xex cars of the road for a year.	
Lessons Learned / Buccess factors	e.g. Design must prevent damage as that would negative evaluations benefits. Low weight and volume are important for reducing theight measurons	
Company contact for more information	Supplier commissional manie and manibur	
Please send case studies to:	NHSEI sustainable procurement team angland atomsustainability@ohs.net and NHSEI Commarcial Comms england.co-comms@ntis.net and your trade body	

#### **Supplier Case Studies**

Please share supplier case studies on emissions reductions that we can use in communications to help showcase sustainable procurement currently in practice at <u>england.ptomsustainability@nhs.net</u>. We will select from the case studies to invite a supplier to present at the next forum.

### **Further Information and Contact Details**



#### **Greener NHS Bulletin**

The Greener NHS bulletin is for anyone who would like to know more about the progress we are making towards our net zero ambition and how to get involved in building a greener NHS. Join our community of Greener E-Bulletin subscribers who are passionate about healthcare decarbonisation.

#### Communications toolkit for supplier trade bodies

Please use the content in the communications toolkit in your communications and share it with supplier members to raise awareness and encourage feedback.

#### If you would like further information on:

- Supplier engagement programme, the roadmap and policy, please email england.ptomsustainability@nhs.net
- Toolkit and other communication enquires, please email <u>england.coocomms@nhs.net</u>

### **Questions for the Forum Members (for Menti)**

- 1. Communications kit feedback: Did you use it and was it helpful?
  - 1. My org used it and it's been helpful, thanks!
  - 2. My org tried to use it but what we wanted wasn't there yet
  - 3. We haven't tried to use it yet in my org
  - 4. We are new to the forum and so we haven't seen it yet
  - 5. Other
- 2. What else would you like in future to support your communications with your members?



# Independent Healthcare Providers: Climate Change Commitment Danielle Henry

26 January 2022 NHSE Sustainable Supplier Forum



### **IHPN – who are we?**

Trade association representing independent sector providers of both NHS and privately funded clinical services

100+ members deliver a diverse range of services incl acute, primary, community, homecare, diagnostic

Members are both 'for profit' and 'not for profit' – from large international hospital groups to small specialist providers

IHPN members deliver care in over 1,500 sites, employ over 160,000 people and deliver care for millions of people every year



### IHPN – what do we do?

IHPN supports its members in four main ways:

- Sharing, learning and networking
- Intelligence and information
- Regulation and quality
- Advocacy and influencing

The climate change work programme supports all of these.

### Why did we do what we did?

Climate change is an existential threat

Independent healthcare providers are a critical part of the healthcare system in the UK – as is reflected most recently in the support offered during the pandemic.

Therefore, it is important to lead in this area and be ambitious

Contracting environment is changing – NHS own net zero target and obligations on its supply chain; Cabinet Office PPN 06/221 new selection criteria for major govt contracts

### What did we do?

Formed a IHPN Climate Change Group in 2021 which all of our members were able to join

Established a work programme for 2021 to support members and enable sharing and learning across the sector

Provided subject matter expertise - Deloitte

### Work programme delivered the following across 3 meetings:

- the impact of climate change on business, and the external landscape
- exploration of practical guidance on decarbonisation, committing to and delivering net zero goals (included baselining)
- practical steps to explore an industry wide commitment

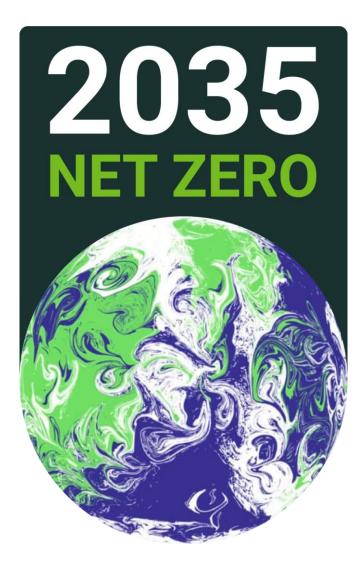
### What did we achieve?

### Focussed on areas most relevant to IHPN members

Created a "community of practice" where members can share and learn from each other

Secured a voluntary industry-wide net zero commitment which was launched in time for COP26

- net zero for scope 1 and 2 by 2035 and net zero for supply chain by 2045
- 75% of our members have signed up to the commitment
- the commitment is ambitious we didn't go for what was easy
- reflected within the commitment that some members have been even more ambitious



### What did we learn?

Our members were and still are at very different stages of their own climate change journey

Our members don't all do the same thing – challenges are quite different

Find the common ground – what can we all agree to so that we can deliver an industry wide commitment.

Getting the level of ambition right

Getting started for many providers was the hardest part – fear of the unknown

Don't let the hugeness of the task paralyse you into inaction – "every little helps"

### What did we learn?

Huge benefit in providers sharing and learning from each other

Important to have subject matter expertise when needed – unless you are fortunate to have that already inhouse

We are all part of each others supply chain – working closely with each other is paramount

The team at NHSE/I are brilliant – important to see what they are doing as an opportunity and not a threat

### **Next steps**

Support members who were unable to sign up to the commitment last year

Continue working with members, via the IHPN Climate Change Group, to support them to achieve their own organisational net zero commitments and the industry-wide target

Identify the "hot" topics that members would value subject matter expertise and would benefit from sharing and learning with peers

Develop a suite of resources that will support members - starting with baselining

Keep working closely with key stakeholders – NHSE/I, ABI etc

### **Any questions**

**Contact details:** 

Danielle Henry Head of Policy (Primary and Community) Independent Healthcare Providers Network (IHPN) danielle.henry@ihpn.org.uk



# Practice Plus Group

Barry Nee Chief Information Officer

26 January 2022 NHSE Sustainable Supplier Forum



### **Practice Plus Group**

Committed to Net Zero by 2030 for Pillars 1 and 2, and Pillar 3 asap thereafter

We have a caveated baseline in place, although we know this needs more work

Measurement is our key focus from 2022

We have prioritised action in the first instance

- Explicit recognition that we are in a climate emergency
- Carbon offset of all business travel since 2018 by planting 20,000 trees in Haiti by end 2022
- Recycling in all sites where we have control of facilities
- Moving to 100% renewable electricity this year
- Replacing GHG heavy anaesthetic gases by mid-2022
- Strong colleague engagement retention and attraction



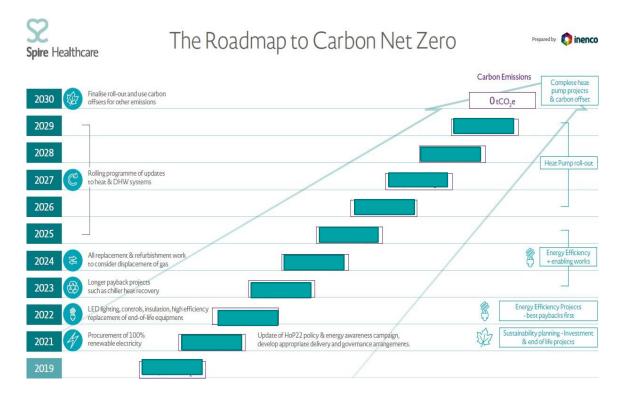
## Approach to Net Zero

Martin Alley 26 Jan 2022



- 1. We consider it our social responsibility to support tackling climate change.
- 2. We have an ambition to be a leader in decarbonsiation within the independent sector
- 3. In 2020 we completed a detailed assessment of our estates carbon emissions.
- 4. In December 2020 our Board approved an ambitious 10 year programme and £16m investment to achieve net zero emissions by 2030.
- 5. We remain on track to achieve this goal.

### Carbon reduction action plan in place



#### Policy & energy awareness campaign

- Carbon Champions appointed at each hospital,
- Local auditaction plans in place
- Environment policy updated

#### **Governance & reporting**

- Working group and project meetings established
- Monthly progress meetings with external advisors
- Monthly hospital energy consumption and heat map reporting reviews
- Twice yearly Carbon Champion and audit action plan meetings and reviews
- Quarterly target performance measurements (all emission sources twice yearly)
- Net Zero Sustainability Committee established, chaired by ExCodirector

### Carbon reduction action plan 2021

#### **Capital investment & achievements**

- Procurement of 100% renewable for all electricity
- Improved waste segregation and recycling to deliver carbon emission reductions
- 20 carbon reduction and energy saving projects, including
  - Removal of gas powered primary steam boilers at multiple sites and replacement with latest technology
  - Replacement and upgrade of chillers incorporating heat recovery back into the DHW (Domestic Hot Water).
  - Continued rollout of LEDs
  - PVs schemes
  - EV charging points
- Detailed investment plan agreed for 2022 and in-flight







Support members who were unable to sign up to the commitment last year

Continue working with members, via the IHPN Climate Change Group, to support them to achieve their own organisational net zero commitments and the industrywide target

Identify the "hot" topics that members would value subject matter expertise and would benefit from sharing and learning with peers

Develop a suite of resources that will support members - starting with baselining

Keep working closely with key stakeholders – NHSE/I, ABI etc



NHS England and NHS Improvement



# Next steps and close

NHS England and NHS Improvement



### **Questions for the Forum Members (for Menti)**

1. What would you like to see more of in future forums?

### **Next Forum**

Please join us for our next forum on:

We are delighted to announce that **Jacqui Rock**, who has been appointed as our new NHSEI Chief Commercial Officer, will also be joining us!

Future dates TBC: in July and early October