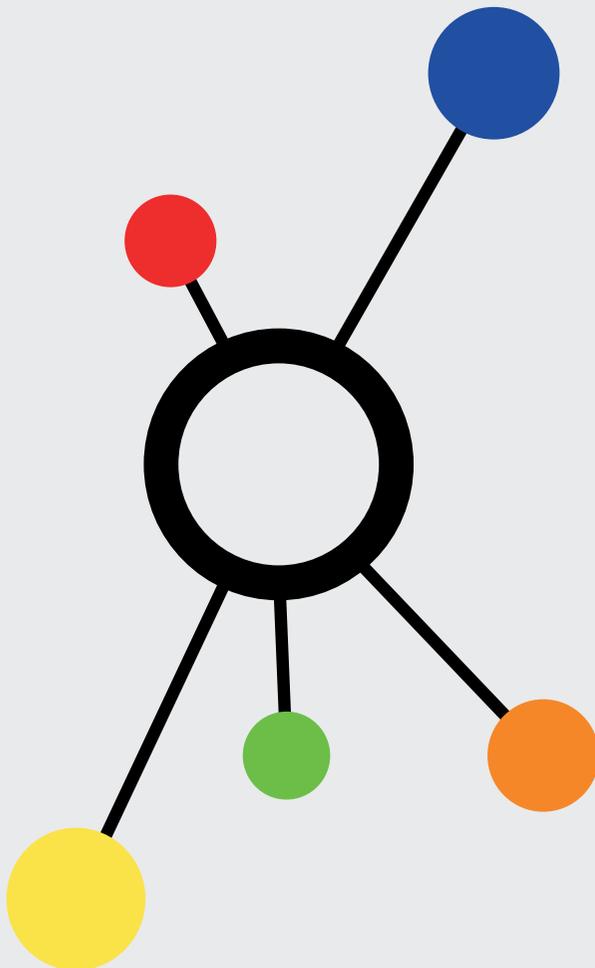


Net Zero and Procurement

How can health anchors leverage spending to meet sustainability goals and tackle inequalities?



Signalling and intent:

As an anchor it is important to clearly signal your commitment to sustainability and social value.

You can do this through:

- Identifying key areas of social value opportunity for your area or the relevant procurement
- Signposting your suppliers to the [NHS Net Zero Supplier Roadmap](#)
- Embedding sustainability expectations into external communications

For example

City of London Corporation's tender processes outlined minimum expectations for suppliers and demonstrated the value of establishing new policies.

Gathering quality data to inform action:

Complete, accurate and reliable data allow health anchors to make well-informed decisions, evaluate the impact of these, and improve sustainable practices.

You can do this through:

- Streamlining data collection processes
- Engaging with stakeholders
- Organisation-wide data quality approaches
- Staying informed about best practices and learning from others to apply new resources and lessons quickly

For example

The use of tools like Evergreen Sustainable Supplier Assessment enables NHSE to gather relevant data on supplier sustainability practices and track progress over time.

Maximising impact:

Health anchors can maximise their impact by identifying areas where they have the most influence and can effectively drive positive change. By strategically leveraging their position, organisations can encourage suppliers to adopt sustainable practices, request specific commitments, and hold them accountable.

You can do this through:

- Assessing areas of spend where you contribute significantly to an organisation's income, and therefore have more influence
- Assessing where you have the strongest relationships with suppliers to begin conversations about sustainability
- Identifying areas with the greatest potential for impactful interventions

Net Zero and Procurement

Case studies



Embedding sustainable procurement

Tender processes

Standardising wording and changing the weighting of responsible procurement questions (from 10 to 15%) to encourage more intentional tender responses. Tender questions have moved from knowledge finding, to asking for intentional, measurable change, moving towards asking for people to work with them by sharing data.

Engagement

Internal category boards offer a chance to speak to contract leads asking what responsible procurement they are putting into their contracts, and encouraging them to think about how that impacts the end user, and how to enhance education at all levels across all services.

Education, guidance and training

Rolling out an interactive low carbon procurement document, intended to provide relevant, bite-sized information specific to staff needs and they can engage with the full document as needed.

Measurement

Rolling out Avarni, a carbon reporting tool, to collect better data on suppliers' organisational emissions. It is a mutually beneficial measuring tool that improves data quality and helps suppliers identify and address carbon and cost inefficiencies. The initial response from suppliers and the use of Avarni has been positive, demonstrating progress in their sustainability goals.



Building and supporting sustainable procurement

Tender processes

In 2022, NHS England launched guidance which requires a minimum 10% net zero and social value weighting for all procurements to help unlock health-specific outcomes. From April 2023, suppliers bidding for contracts above £5 million per annum are required to publish a Carbon Reduction Plan for their UK Scope 1 and 2 emissions and a subset of scope 3 emissions as a minimum. From 2024, the CRP requirement will be extended to cover all procurements. The Evergreen Sustainable Supplier Assessment is an online tool for suppliers. After completing the assessment, suppliers receive a sustainability maturity score against NHS priorities.

Engagement

The net zero supplier roadmap invites suppliers to join the NHS on their net zero journey. It sets minimum expectations for suppliers, supporting them to meet milestones and align with the NHS net zero ambition. From 2027, all suppliers will be required to publicly report targets, emissions and publish a Carbon Reduction Plan for global emissions aligned to the NHS net zero target, for all of their Scope 1, 2 and 3 emissions.

Education, guidance and training

NHS published guidance on applying net zero and social value in the procurement of NHS goods and services to help procurement teams unlock health outcomes and increase value for taxpayers. Evergreen Assessment is a tool for suppliers to engage with the NHS on their sustainability journey, understand how to align with the NHS net zero ambition, and showcase their sustainability efforts.

Net Zero and Procurement

What you've tried and what's next



We asked HALN participants two questions:

1. When it comes to adapting procurement processes and influencing suppliers to achieve sustainability goals, what activities have you tried so far?
2. What else would you love to try when it comes to supplier engagement?



Thank you to everyone who attended and contributed during the live session. If you would like to catch up you can [watch the replay on Youtube.](#)

Here's what you told us:

Training and development

- Signposting to e-learning tools
- Introducing training and support package for bidders and suppliers
- Training with small to medium enterprises
- Carbon literacy for suppliers
- Involving suppliers in training

Systems and processes

- Developing systems to support suppliers to track data (similar to Avarni)
- Developing Sustainable Procurement Charter policy
- Embedding measurement protocols

- What HALN members are already doing
- What HALN members would like to try next

Tender processes

- Sustainability impact assessments
- Using government guidance to write standard questions
- Detailing social value commitments into tender processes
- Incorporating ambitions into tender
- Increasing value of sustainability and social value questions
- Embedding sustainability processes into tender processes

Best practice and innovation

- Giving best practice examples
- Piloting new ideas with a small number of suppliers
- Using more case studies

Supplier engagement

- Workshops and pilots
- One-to-one discussions
- Regularly reviewing progress
- Getting established procurement professionals to discuss sustainability with suppliers
- Engagement events
- Improving supplier understanding

Data analysis

- Analysis of scope 3 carbon emissions
- Identifying where suppliers can have the most impact
- Accurately measure carbon savings



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