

## Sustainable Development Strategy 2017-18

Our Sustainable Development Strategy published in 2013 set out a series of commitments for embedding sustainability up to the end of our original contract in September 2016.

It is now opportune to revisit and refresh those commitments, re-affirming them for the remainder of NHS Supply Chain's tenure through 2017 and 2018.

These broad commitments remain relevant and some have been re-shaped through to 2018.

'Our Commitments' under each theme will be delivered by shared ownership and activities across the business.

Some of the key work-stream areas are outlined below. They are designed to deliver change and improve how sustainability is embedded into 'business as usual' activity at NHS Supply Chain.

Carbon		
Action	Outcome / Deliverable	Accountability
We will focus on a number of priority contract areas* and work with our suppliers to elicit information on how they are working to reduce the embedded carbon in products supplied to the NHS.	Enhanced information on how carbon intensity of goods has been addressed by NHS Supply Chain (through the tender process and supplier engagement)	Buying Teams/ Contracting Managers/ Ethical and Sustainability Manager
We will pilot a process where energy efficiency of Electrical Medical Equipment is considered in the procurement process. We will demonstrate value to the NHS in cost and carbon savings.	Information on energy efficiency of Electro-medical equipment is collated and available to customers.	Buying teams in product areas (Capital/Clinical/Consumables) / Ethical and Sustainability Manager
We will increase the energy efficiency of NHS Supply Chain's distribution network. We will reduce energy consumption and increase efficiency	Reduced CO2e emissions from NHS Supply Chain buildings by 2.5%** year on year	Site General Managers
We will increase the efficiency of NHS Supply Chain's transport fleet that deliver orders to NHS customers	Reduced direct CO2e emissions from NHS Supply Chain transport by 2.5%** year on year	Site Transport Managers
We will engage with employees on initiatives to reduce emissions from business travel, providing the tools and knowledge to choose more sustainable travel choices	Reduction in business travel and related direct CO2e emissions	HR / Internal Communications

\* Priority contract areas for focus on carbon intensity have been determined through SCO<sub>2</sub>PE analysis and with reference to the recently published report from the Sustainable Development Unit on carbon intensity of products <http://www.sduhealth.org.uk/resources/default.aspx>

\*\*CO2 per £million revenue

Waste		
Action	Outcome / Deliverable	Accountability
We will work with suppliers to reduce the use of raw materials in product packaging and to optimise the supply chain to reduce inbound vehicle deliveries	Removal of packaging material and reduced supplier transport	Buying Teams/ Transport / Inbound logistics
We will work with suppliers within waste hotspot categories (e.g. furniture, stationary, textiles) to maximise opportunities for recovery, re-manufacture, recycling and re-use	Enhance sustainable practice of suppliers within specific categories	Buying Teams/ Ethical and Sustainability Manager
We will reduce the total amount of waste we create as a business.	Reduced waste creation of 2.5% year on year from our offices and distribution sites	Site General Managers
We will reduce the amount of waste sent to landfill by improving recycling and recovery rates, working in partnership with our waste suppliers to achieve this aim	Zero waste to landfill, publish recycling and recovery rates	Site General Managers

# Natural Resources

Action	Outcome / Deliverable	Accountability
We will work with the Department of Health on supply chain resilience to safeguard critical supplies and plan for future sustainability risks	Projects/work areas/activities to enhance supply resilience of critical goods	Supply Chain Manager - Operations
In timber-related contract areas*, we will build compliance with UK Timber Procurement Policy and EU Timber Regulations into contracting and supplier relationship management	Compliance with UK Timber Procurement Policy is built into NHS Supply Chain contract conditions for relevant products	Buying Teams / Contracting Managers / Technical Team / Ethical and Sustainability Manager
We will support The Government's pledge to achieve sustainable palm oil within food and other products* through supplier engagement within relevant contract areas. (*non-food products will be prioritized based on % palm oil content)	Making information on sustainable palm oil within NHS products available to customers	Buying Teams/ Ethical and Sustainability Manager
We will increase the water efficiency of our business – reducing water wastage, and improving processes that are water-intensive	Increased water efficiency of 2.5% year on year	Site General Managers
We will protect the environment through maintenance and improvement to the NHS SC ISO14001 Environmental Management Systems (EMS)	External certification to ISO 14001, improved operating procedures and continual improvement	Customer Assurance Team
We will ensure 'adaptation to climate change' is included in our business continuity plans	Manage potential interruption to service as a result of adverse weather conditions and other impacts from climate change	Customer Assurance Team

\*The contract areas include Paper Hygiene, Office Furniture, Ward and Residential Furniture and Paper products.

# Ethics and Responsibility

Action	Outcome / Deliverable	Accountability
We will promote Government Buying Standards for Food and Catering and work to encourage uptake with the NHS	Make available to customers information on compliance with GBS of all food contracts	Food Buying Team/ Ethical and Sustainability Manager
Building on the Department of Health 'Improving Hospital Food' work stream objectives, we will continue to support NHS trusts to meet the recommendations of the Hospital Food Standards Panel Report 2014	Improve sustainability and nutritional credentials of hospital food procured through NHS Supply Chain	Food Buying Team/ Ethical and Sustainability Manager
<p>We will introduce Labour Standards Assurance (LSAS) into our procurement process within relevant contract areas where there are predictors or evidence of labour standards issues within the supply chains.</p> <p>The product areas for LSAS inclusion have been determined by conducting a risk assessment across NHS Supply Chain's contract portfolio and by working closely with stakeholder groups such as The Medical Fair and Ethical Trade Group at the BMA, experts in ethical trade, bodies such as ETI (Ethical Trading Initiative) and colleagues active in public procurement elsewhere in Europe.</p> <p>NHS Supply Chain will continue to review the areas assigned for LSAS inclusion and its wider portfolio and new areas may be added if risks emerge or abuses are uncovered.</p> <p>We will meet our obligations with regard to the UK Modern Slavery Act 2015 and make supplier engagement and supply chain mapping a priority.</p>	High priority areas have contract conditions built into the tender around labour assurance. Awarded suppliers are managing labour standards risks and committed to continual improvement	Buying Teams/ Ethical and Sustainability Manager
We will provide a safe working environment for our employees and promote health and wellbeing through company and site initiatives.	Reduced accidents at NHS Supply Chain offices and sites. Improved health and wellbeing of NHS Supply Chain staff.	National SHE Manager / Site General Managers/ HR

# Community

Action	Outcome / Deliverable	Accountability
We will work in partnership with organisations that support and promote skills and training initiatives and encourage employee engagement	Employee engagement in external initiatives such as Princes Trust, Outward Bound, Go Teach, Go Help	Internal communications / Communications Champions
We will engage employees to support fundraising activities at offices and sites.	Support for local communities, encourage pride in our business	Internal communications / Communications Champions
We will achieve Government targets on SME representation in public contracts (including first tier and second tier suppliers).	33% of awarded suppliers are SME's and there is increased transparency of 2 <sup>nd</sup> tier suppliers	Procurement Directors/Heads of Category
We will work in partnership with SMEs to understand how NHS SC can identify and remove any barriers to trade.	On-going dialogue with SMEs and increased number of awards to this sector	Procurement Directors/Heads of Category
We consider the diversity of our employees to be a real strength. We will promote an inclusive work environment in order to attain the highest possible productivity, creativity and efficiency.	Employee engagement in internal activities to promote Diversity and Inclusion. Diversity and Inclusion Training	Diversity Steering Group / Internal communications / Communications Champions / Exec Board

Each commitment will have a range of necessary and prioritised actions to enable NHS Supply Chain to further embed sustainability. For NHS Supply Chain to continue to develop in a sustainable way requires the co-operation, collaboration and support from employees, suppliers and stakeholders although specific accountability lies with the individuals outlined above and the NHS Supply Chain Executive Board. An action plan will enable progress to be tracked on each project.