**Schedule** **26 (Sustainability)**

***[Guidance: Part A should always be included, as it incorporates legislative requirements and Government policy on procurement; Part B is optional and Buyers should consider whether they wish to include any of the options. See Part B for further details. Part C should be included if Buyers have not included Schedule 10 (Service Levels) in this Contract.]***

1. **Definitions**

|  |  |
| --- | --- |
| **[“Modern Slavery Assessment Tool”** | means the modern slavery risk identification and management tool which can be found online at: <https://supplierregistration.cabinetoffice.gov.uk/msat>] |
| **[“Supply Chain Map”** | means details of (i) the Supplier, (ii) all Subcontractors and (iii) any other entity that the Supplier is aware is in its supply chain that is not a Subcontractor, setting out at least:   1. the name, registered office and company registration number of each entity in the supply chain; 2. the function of each entity in the supply chain; and 3. the location of any premises at which an entity in the supply chain carries out a function in the supply chain; and] |
| **“Waste Hierarchy”** | means prioritisation of waste management in the following order of preference as set out in the Waste (England and Wales) Regulation 2011:   1. Prevention; 2. Preparing for re-use; 3. Recycling; 4. Other Recovery; and 5. Disposal. |

**Part** **A**

1. **Public Sector Equality Duty**
   1. In addition to legal obligations, where the Supplier is providing a Deliverable to which the Public Sector Equality duty applies, the Supplier shall support the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under this Contract in a way that seeks to:
      1. eliminate discrimination, harassment or victimisation and any other conduct prohibited by the Equality Act 2010; and
      2. advance:
         * 1. equality of opportunity; and
           2. good relations,

between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.

1. **Employment Law**

The Supplier must perform its obligations meeting the requirements of all applicable Law regarding employment.

1. **Modern Slavery**
   1. The Supplier:
      1. shall not use, nor allow its Subcontractors to use forced, bonded or involuntary prison labour;
      2. shall not require any Supplier Staff or Subcontractor Staff to lodge deposits or identity papers with the employer and shall be free to leave their employer after reasonable notice;
      3. warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;
      4. warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;
      5. shall make reasonable enquires to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world;
      6. shall have and maintain throughout the Term its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;
      7. shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under this Contract;
      8. shall prepare and deliver to the Buyer, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business with its annual certification of compliance with this Paragraph 3;

***[Guidance - a statement under section 54 of the Modern Slavery Act would be sufficient for the required 'annual slavery and human trafficking report required by Paragraph 3.18]***

* + 1. shall not use, nor allow its employees or Subcontractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Subcontractors;
    2. shall not use or allow child or slave labour to be used by its Subcontractors;
    3. shall report the discovery or suspicion of any slavery, trafficking, forced labour, child labour, involuntary prison labour or labour rights abuses by it or its Subcontractors to the Buyer and Modern Slavery Helpline and relevant national or local law enforcement agencies;
    4. if the Supplier is in Default under Paragraphs 3.1.1 to 3.1.11 of this Part A of Schedule 26 the Buyer may by notice:
       - 1. require the Supplier to remove from performance of this Contract any sub-contractor, Supplier Personnel or other persons associated with it whose acts or omissions have caused the Default; or
         2. immediately terminate this Contract and the consequences of termination set out in Clause 14.5.1 of the Core Terms shall apply; and
    5. shall, if the Supplier or the Buyer identifies any occurrence of modern slavery connected to this Contract, comply with any request of the Buyer to follow the Rectification Plan Process to submit a remedial action plan which follows the form set out in Annex D of the Tackling Modern Slavery in Government Supply Chains guidance to PPN 02/23 (Tackling Modern Slavery in Government Supply Chains).
  1. If the Supplier notifies the Buyer pursuant to Clause 3.1.11 it shall respond promptly to the Buyer’s enquiries, co-operate with any investigation, and allow the Authority to audit any books, records and/or any other relevant documentation in accordance with this Contract.
  2. If the Supplier is in Default under Paragraph 3.1 of this Part A of Schedule 26 [Guidance: Include if Optional paragraph 3.3 of Part B of this Schedule is included or Paragraph 3.3 of Part B of Schedule 26] the Buyer may by notice:
     1. require the Supplier to remove from performance of this Contract any Sub-Contractor, Supplier Personnel or other persons associated with it whose acts or omissions have caused the Default; or
     2. immediately terminate this Contract and the consequences of termination set out in Clause 14.5.1 of the Core Terms shall apply.

1. **Environmental Requirements**
   1. The Supplier must perform its obligations meeting in all material respects the requirements of all applicable Laws regarding the environment.
   2. In performing its obligations under this Contract, the Supplier shall, where applicable to this Contract, to the reasonable satisfaction of the Buyer:
      1. prioritise waste management in accordance with the Waste Hierarchy as set out in Law;
      2. be responsible for ensuring that any waste generated by the Supplier and sent for recycling, disposal or other recovery as a consequence of this Contract is taken by a licensed waste carrier to an authorised site for treatment or disposal and that the disposal or treatment of waste complies with the Law; and
      3. ensure that it and any third parties used to undertake recycling, disposal or other recovery as a consequence of this Contract do so in a legally compliant way, and can demonstrate that reasonable checks are undertaken to ensure this on a regular basis and provide relevant data and evidence of recycling, recovery and disposal.
   3. In circumstances that a permit, licence or exemption to carry or send waste generated under this Contract is revoked, the Supplier shall cease to carry or send waste or allow waste to be carried by any Subcontractor until authorisation is obtained from the Environment Agency.
   4. In performing its obligations under this Contract, the Supplier shall to the reasonable satisfaction of the Buyer (where the anticipated Charges in any Contract Year are above £5 million per annum (excluding VAT)), where related to and proportionate to the contract in accordance with PPN 06/21), publish and maintain a credible Carbon Reduction Plan in accordance with PPN 06/21.
   5. The Supplier shall meet the applicable Government Buying Standards applicable to Deliverables which can be found online at:

[*https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs*](https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs)*.*

1. **Supplier Code of Conduct**
   1. In February 2019, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government which can be found online at:

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163536/Supplier_Code_of_Conduct_v3.pdf>

The Buyer expects to meet, and expects its suppliers and subcontractors to meet, the standards set out in that Code.

1. **Reporting**

The Supplier shall comply with reasonable requests by the Buyer for information evidencing compliance with any of the requirements in Paragraphs 1-5 of this Part A above within fourteen (14) days of such request, [provided that such requests are limited to [two (2)] per requirement per Contract Year].

**Part** **B**

***[Guidance - All paragraphs and sub-paragraphs in Part B are optional. Buyers will want to select and amend those requirements which are appropriate for their Contract, ensuring that these are relevant and proportional to the subject matter of this Contract. Buyers may want to consider using some or all of these paragraphs when there are key sustainability benefits or risks that need to be managed and/or for higher value/larger Suppliers and/or Contracts. Buyers should also note that some obligations, such as compliance with the Buyer’s sustainability requirements, for example net zero commitments or EDI, will require the Buyer to provide the requirements to the Supplier]***

1. **Equality, Diversity and Inclusion – Further Requirements**
   1. [In delivering the Deliverables, the Supplier will comply with the Buyer’s equality, diversity and inclusion requirements, to be provided to the Supplier by the Buyer.]
   2. [The Supplier shall ensure that it fulfils its obligations under this Contract in a way that does not discriminate against individuals because of socio-economic background, working pattern or having parental or other caring responsibilities.]
2. **Environmental – Further Requirements**
   1. [The Supplier must have a documented management system and controls in place to manage the environmental impacts of delivering the Deliverables.]
   2. [The Supplier shall ensure that any Deliverables are designed, sourced and delivered in a manner which is environmentally and socially responsible.]
   3. [In delivering the Deliverables, the Supplier must comply with the Buyer’s sustainability requirements, to be provided to the Supplier by the Buyer.]
   4. [The Supplier warrants that it has obtained relevant Environment Management System (EMS) certified to ISO 14001 or an equivalent certification from a UKAS accredited body and shall comply with and maintain certification requirements throughout the Term.]
   5. [In performing its obligations under this Contract, the Supplier shall to the reasonable satisfaction of the Buyer:
      1. [avoid consumable single use items (including packaging) unless otherwise agreed with the Buyer, and unless the use is primarily related to the management of the Supplier’s own facilities or internal operations as opposed to the provision of Deliverables;]
      2. [demonstrate that the whole life cycle impacts (including end of use) associated with the Deliverables that extend beyond direct operations into that of the supply chain have been considered and reduced];
      3. [minimise the consumption of resources and use them efficiently (including water and energy), working towards a circular economy including designing out waste and non-renewable resources, using re-use and closed loop systems];
      4. [demonstrate protection of the environment including understanding and reduction of biosecurity risks (which include risks to plant and tree health from harmful pests and diseases), and reducing and eliminating hazardous/harmful substances to the environment and preventing pollution];
      5. [enhance the natural environment and connecting communities with the environment];
      6. [achieve continuous improvement in environmental (and social) performance]and
      7. [demonstrate to the Buyer that it has an environmental management system in place that is at least equivalent to the standards required to be certified to ISO 14001].]
   6. [The Supplier shall inform the Buyer within one Working Day in the event that a permit, licence or exemption to carry or send waste generated under this Contract is revoked.]

***[Guidance: Insert any other environmental requirement the Buyer wishes to add, e.g. those in line with the*** [***Government Greening Commitments***](https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025)***, or for ICT - the*** [***Greening government: ICT and digital services strategy 2020 to 2025***](https://www.gov.uk/government/publications/greening-government-ict-and-digital-services-strategy-2020-2025) ***and*** [***point 12 of the Technology Code of Practice***](https://www.gov.uk/guidance/make-your-technology-sustainable)***].***

1. **Modern Slavery– Further Requirements**

***[Guidance - Paragraphs 3.1 to 3.8 are intended for use in medium and high risk contracts. For guidance on classifying contracts as medium or high risk, please see section 1 of the Modern Slavery Guidance attached to PPN 02/23 (Tackling Modern Slavery in Government Supply Chains). Buyers should consider which requirements, including any additional requirements, are appropriate for their Contract.]***

* 1. **[**The Supplier shall comply with any request by the Buyer to complete the Modern Slavery Assessment Tool within sixty (60) days of such request.]
  2. [The following shall be added to the definition of “Audit” in Schedule 1 immediately after limb (k):

“(l) carry out an unannounced or semi-announced inspection of any Site and speak directly to any Supplier Staff in a confidential manner and in the native language of such Supplier Staff in respect of workforce conditions, working or employment practices and recruitment practices;”

* 1. For the purposes of an audit carried out pursuant to limb (l) of the definition of “Audit”, in addition to any other rights under this Contract, the Buyer may instruct the Supplier to carry out such an audit of any Subcontractor by an independent third party and, if so instructed, the Supplier shall deliver a report to the Buyer within ninety (90) days of such instruction.]
  2. [The Supplier shall comply with any request by the Buyer to provide a Supply Chain Map within fourteen (14) days of such request.]
  3. [The Supplier shall comply with any request by the Buyer to provide a copy of any reports of any Subcontractor regarding any or all of workplace conditions, working or employment practices and recruitment practices within fourteen (14) days of such request.]
  4. [The Supplier shall carry out due diligence to ensure workers in its business and its supply chains are not paying illegal or exploitative recruitment fees to secure employment, and where these fees are uncovered shall ensure that workers are remedied.]

1. **Further Reporting Requirements**
   1. [The Supplier shall comply with reasonable requests by the Buyer for information evidencing compliance with any of the requirements in Paragraphs [1 and 2] of this Part B above within [thirty (30)] days of such request, [provided that such requests are limited to [two] per requirement per Contract Year].
   2. [The Supplier shall complete the reports in Table A of this Part B in relation to its provision of the Deliverables under this Contract and provide these to the Buyer on the date and frequency outlined in Table A of this Part B].

**Table** **A**

***[Guidance - All reports and the content of these reports in Table A are optional. Buyers will want to select and amend those reports and requirements which are appropriate for their Contract, ensuring that these are relevant and proportional to the subject matter of this Contract and do not create unnecessary burdens upon the Supplier.]***

| **Sustainability Report Name** | **Content of Report** | **Frequency of Report** |
| --- | --- | --- |
| **[Sustainability - General]** | [As proportionate and relevant to this Contract, the key sustainability impacts identified; the sustainability improvements planned or delivered; and the risks to the Deliverables of climate change, including mitigation, adaptation and continuity plans employed by the Supplier in response to those risks]. | [On the anniversary of the Effective Date] |
| **[Waste created]** | [By type of material the weight of waste categories by each means of disposal in the Waste Hierarchy with separate figures for disposal by incineration and landfill.] | [Before contract award and on the anniversary of the Effective Date.] |
| **[Waste permits]** | [Copies of relevant permits and exemptions for waste, handling, storage and disposal.] | [Before the Effective Date, on the anniversary of the Effective Date and within ten (10) Working Days of there is any change or renewal to license or exemption to carry, store or dispose waste] |
| **[Greenhouse Gas Emissions]** | [Detail the Scope 1 and Scope 2 GHG emissions associated with the delivery of the contract.  Scope 3 emissions to be reported as required (Optional)  Emissions reporting should be in accordance with established best practice and internationally accepted standards.  Greenhouse gas reporting from emissions sources (Scope 1, Scope 2 and Scope 3), and specific activities as requested by the Buyer. This may include activities such as transportation, energy use and waste disposal.] | [On the anniversary of the Effective Date] |
| **[Water Use]** | [Volume in metres cubed.] | [On the anniversary of the Effective Date] |
| **[Other]** | [ ] | [ ] |

**Part** **C**

***[Guidance - include the following section if you have not included Schedule 10 (Service Levels) in this Contract. If Schedule 10 has been included, the requirement for the Buyer to establish, track, and publish Social Value KPIs in line with PPN 06/20 will be addressed in that section, otherwise it should be addressed by including the paragraphs below.]***

1. **Social Value**
   1. The Supplier shall provide a Social Value Report to the Buyer as outlined in Table A.

**Table** **A: Social Value Report**

|  |  |
| --- | --- |
| **Required Detail** | **Frequency** |
| A high-level summary of the Supplier’s performance against the Social Value priorities over the relevant period | [Quarterly] |
| Performance by the Supplier against each of the Social Value KPIs set out at Table B over the relevant period | [Quarterly] |
| [Insert any other requirements] |  |

**Table** **B: Social Value KPIs**

***[Guidance – use the Model Award Criteria and Reporting Metrics set out in the procurement documentation and in the tenderer’s proposals to establish Social Value KPIs in line with PPN 06/20, and include these below. Where the successful bidder proposes specific commitments in its tender proposal which are in addition to the above, then such commitments will also be used to establish Social Value KPIs.***

***The Buyer should discuss Social Value with participants during pre-market engagement to inform the selection of relevant, proportionate and non-discriminatory questions and criteria from the Social Value Model, and to consider whether the market in question has a mature Social Value offering. Such Social Value KPIs will always comprise a combination of a deliverable and a numeric element, being specific, measurable and time-bound commitments, by which performance of that deliverable is to be measured.***

***The Buyer should ensure that the social value priorities to be delivered and how the Supplier will deliver these priorities are included in this Contract (for example in Schedule 2 (Specification) and Schedule 8 (Implementation Plan)]***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Social Value Title** | **Description of Deliverable** | **Target** | **Frequency of Measurement** | **Publishable Performance Information**  ***[Guidance: It is HMG’s intention to publish the top Social Value KPI for the Government’s most important contracts. Where this publication requirement applies to this Contract, the Authority may use the below to select the single most important Social Value KPI, which may be publishable]*** |
| Social Value KPI1 | [e.g. Reducing the disability employment gap] | [e.g. Number of disabled people in the contract workforce] | [e.g. 2%] | [Quarterly] | [YES/NO] |
| Social Value KPI2 |  |  |  |  | [YES/NO] |
| Social Value KPI3 |  |  |  |  | [YES/NO] |