



Procurement Policy Note 016

Carbon reduction contract schedule and guidance

Updated: February 2025

Introductory guidance

The UK has a proud record of global leadership in tackling climate change and supporting clean growth. The UK government amended the Climate Change Act 2008 in 2019 by introducing a target of at least a 100% reduction in the net UK territorial carbon account by 2050. This is otherwise known as the **government net zero target**.

The UK's 2050 net zero target is one of the most ambitious in the world and was recommended by the Committee on Climate Change, the UK's independent climate advisory body. The net zero target requires a reduction in greenhouse gas (GHG) emissions (as defined by the [GHG Protocol](#)) and (as a last resort if carbon reduction is unachievable) that any GHG emissions generated are balanced by a 'good quality' scheme to offset an equivalent amount of greenhouse gases from the atmosphere (as updated from time to time).¹

The net zero target is used to align with the requirements of PPN 006 Taking account of Carbon Reduction Plans in the procurement of major government contracts, which requires suppliers bidding for major government contracts to commit to achieving net zero by 2050 and publish a Carbon Reduction Plan.

As environmental factors and GHG emissions feature in the delivery of most public contracts, there is an opportunity for authorities to take steps to support the net zero target and reduce GHG emissions through public procurement.

This Carbon Reduction Schedule should be considered alongside broader sustainability obligations, such as the 'Environmental requirements' section contained within Annex 1 (Sustainability) of [the UK government's Model Services Contract Standards](#) schedule and the environmental sections called out within the UK government's [Mid-Tier](#) and [Short-Form Contracts](#). Its primary purpose is to reduce contract-level GHG emissions to support the UK government's commitment to achieve the net zero target by 2050.

This schedule also contains terms and conditions (T&Cs) that support contract-specific decarbonisation objectives, contract-specific GHG emissions reporting, setting supplier GHG emissions reduction targets, or requiring the supplier to produce a GHG emissions reduction plan to monitor and reduce GHG emissions throughout the life of the contract.

When applying this schedule, it should be both relevant to the subject matter of the

¹ As outlined in the Environmental Reporting Guidelines (page 115).

contract and proportionate to its nature, complexity and cost. It is highly recommended that you use these T&Cs to focus on GHG emissions hotspots associated with the contract (i.e. areas that produce disproportionately high amounts of GHG emissions relative to the overall estimated GHG emissions linked to a particular contract) so that you can reduce GHG emissions through defined activities and set targets.

Appropriate use of these T&Cs

These T&Cs should be used where they are relevant to the subject matter of the contract and proportionate to the nature, complexity and cost of the contract. To determine relevance and proportionality, you should consider:

- **A. Category**

Some categories of spend will generate higher GHG emissions than others, or will represent a greater opportunity for reducing direct or indirect GHG emissions. Fleet, construction, industrial goods and services, pharmaceuticals, facilities management, ICT and professional services for instance will often result in high GHG emissions, and so are best suited to targeted GHG emissions reduction requirements in the contract. Please note this list is not exhaustive.

It is important to understand the risk associated with the contract and use market intelligence and early market engagement to ensure successful implementation and adoption of these T&Cs.

- **B. Supply chain size, complexity and readiness**

Categories and supply chains can have a range of maturity when it comes to GHG emissions reporting and GHG emissions reduction initiatives. Authorities should consider the maturity of the category and supply chain when applying these T&Cs and assess how burdensome any optional requirements to cascade obligations down the supply chain might be. Where cascade is being considered, this should be included in preliminary market engagement with suppliers to ensure they are aware of any potential additional requirements at the earliest opportunity. While there is an opportunity to decrease GHG emissions by cascading requirements down the supply chain, there may also be a burden to SME and VCSE suppliers. Therefore, a proportionate application should be considered. Please see optional paragraphs 25 to 27.

- **C. Value**

High-value/high-criticality contracts are likely to demand additional resources, time and assets in contract delivery which could be associated with higher GHG emissions. It may not be proportionate to apply these T&Cs to lower-value contracts. Lower-value/low-criticality contracts are often delivered by SME and VCSE suppliers, who may be less able to provide contract-specific GHG emissions data.

- **D. Governance processes**

The UK has a statutory net zero target, therefore authorities should strive to include proportionate T&Cs to drive improved environmental performance in public contracts.

Authorities may wish to seek legal advice from their internal advisers prior to including this, or other optional schedules.

It may be useful to consider the following questions to aid in your decision making:

- How much impact can be made through the procurement alongside broader departmental or strategic initiatives which are being led with suppliers (e.g. category strategies, supplier relationship management initiatives, supplier forums, industry groups, etc.)?
- To what extent does the implementation of decarbonisation intervention options rely on the main supplier(s) and what is the likelihood of supply chain adoption?
- Are the drivers for GHG emissions intensity (GHG hotspots) understood in detail, for instance are they linked to the type of activities which will be supplied?
- Can the authority support the main supplier(s) to influence the supply chain through the T&Cs and encourage the adoption of incentivisation mechanisms linked to environmental sustainability (e.g. through cascade responsibilities, supply chain transparency and effective oversight)?
- Is the supply chain length, complexity, readiness and/or supplier size likely to be a barrier in terms of implementing decarbonisation interventions?

To ensure transparency, it is recommended you set out your supplier expectations and test acceptability with the market as soon as possible through preliminary market engagement. This will ensure suppliers understand your requirements and are aware of the inclusion of relevant paragraphs from this schedule.

Further resources

[UK Footprint Results \(1990 - 2020\)](#)

[Glossary of T&Cs: Carbon Net Zero and Smart Solutions](#)

[GHG Conversion Factors](#)

[Promoting Net Zero Carbon and Sustainability in Construction Guidance Note](#)

Definitions

[Optional: **Authority net zero target:** [20XX], being the date by which the authority commits to achieve net zero.]

Carbon footprint: the sum of GHG emissions from an individual, product, organisation or country, measured in tonnes of carbon dioxide-equivalent (tCO₂e).

Contract carbon footprint: The GHG emissions resulting from the execution of the contract as described by the GHG Protocol Corporate Standard.

Carbon Reduction Plan (CRP): A Carbon Reduction Plan in response to [PPN 006](#).²

Emissions reduction: The reduction of GHG emissions from a product, service, contract, organisation or country.

Emissions Reduction Target (ERT): The target for emissions reduction for each year of the contract, expressed as a percentage.

Emissions report: A report, substantially in the form set out in Table 1, containing, as a minimum, details of the GHG emissions for this contract against the Reporting Scopes for each contract year, details of any newly identified GHG hotspots and details of any decarbonisation opportunities.

GHG Emissions Reduction Plan (ERP): A plan, substantially in the form set out in Table 2, containing the key activities and interventions that will lead to emissions reduction.

Greenhouse gas emissions (GHG emissions): The release of greenhouse gases as defined in the GHG Protocol, typically measured in tonnes of carbon dioxide-equivalent (tCO₂e).

GHG hotspots: Processes, operations, and activities that have a proportionately large contribution to the total GHG Emissions for the Contract.

Government net zero target: The 2050 target date by which the UK government has committed to achieve net zero, pursuant to the Climate Change Act 2008 (2050 Target Amendment) Order 2019.

Net zero: A state in which the amount of GHG emissions released into the atmosphere are balanced by the amount of GHG emissions removed.

Reporting Scopes: the following categories of GHG emissions:

- [Scope 1 emissions:](#) GHG emissions that come from the supplier directly, e.g. from burning fuel in vehicles or boilers that the supplier owns.
- [Scope 2 emissions:](#) GHG emissions from the supplier's use of electricity.
- [Scope 3 emissions:](#) Scope 3 is broken down into 15 sub-categories, including emissions associated with the goods and services you buy, financial services such

² For procurements commenced before 24 February 2025, this should be replaced with PPN 06/24 (for more detail on the meaning of 'commenced' please refer to the Procurement Act 2023 [Guidance on Transitional and Savings Arrangements](#))

as investments, and others such as waste or transportation. There are five Scope 3 categories included in the reporting for a supplier's CRP: upstream transportation and distribution, waste generated in operations, business travel, employee commuting, and downstream transportation and distribution.

Supplier net zero target: The date by which the supplier commits to achieve net zero.

Carbon Reduction Schedule³

- **Net zero obligation**

1. The supplier shall, through best endeavours, ensure that their environmental impact is minimised throughout the delivery of the contract.

[Optional text: The supplier acknowledges that the authority has its own operational authority net zero target of [20xx], and emissions reduction achieved in the delivery of this contract will contribute to achieving this aim.]

- **Net zero commitment**

[Delete the version of paragraph 2 that does not apply – see Annex A for details.]

2. [Where a CRP was required as part of the conditions of participation:] The supplier acknowledges and understands the government net zero target. Accordingly, and in line with PPN 006, the supplier shall:
 - set a supplier net zero target with a target achievement date the same as or earlier than the government net zero target
 - maintain its Carbon Reduction Plan (CRP) in accordance with PPN 006
 - provide details of steps it is taking as an organisation to reduce its carbon footprint in the form of emissions reduction initiatives
 - [Optional text: where required to do so, undertake and keep up to date full and complete records of GHG emissions reporting activity undertaken by the Supplier with supporting data and provide the same to the authority each year]
 - attend, on reasonable notice, meetings with the authority representative or other nominated representative to present the supplier's CRP to achieve, and current progress towards, the supplier net zero target [and the Supplier shall refresh its CRP accordingly]
2. [Where a CRP was not required as part of the conditions of participation:] The supplier acknowledges and understands the government net zero target. Accordingly, the supplier shall:
 - set a supplier net zero target with a target achievement date the same as or earlier than the government net zero target
 - provide details of any steps it is taking as an organisation to reduce its carbon footprint in the form of emissions reduction initiatives

³ This schedule refers to PPN 006. For procurements commenced before 24 February 2025, references to PPN 006 should be replaced with references to PPN 06/24 (for more detail on the meaning of 'commenced' please refer to the Procurement Act 2023 Guidance on Transitional and Savings Arrangements)

- **[Optional text:** create a Carbon Reduction Plan (CRP), in line with PPN 006, within the first 12 months of contract]
- **[Optional text:** where required to do so, undertake and keep up to date full and complete records of GHG emissions reporting activity undertaken by the Supplier with supporting data and provide the same to the authority each year]
- **[Optional text:** attend, on reasonable notice, meetings with the authority representative or other nominated representative to present the Supplier's CRP to achieve, and current progress towards, the supplier net zero target [and the supplier shall refresh its CRP accordingly]]

3. If the authority, having reviewed the emissions report and discussed with the supplier its progress to achieve the supplier net zero target, determines (acting reasonably) that the supplier is making insufficient progress towards achieving the supplier net zero date, the authority may work with the supplier to determine and implement a suitable rectification plan [in accordance with the Rectification Plan Process].

- **Net zero contractual commitments**

[Delete the two versions of paragraph 4 that do not apply – see Annex A for details.]

4. **[Where a CRP was required as part of the conditions of participation:]** The supplier commits to delivering this contract in line with its published Carbon Reduction Plan, as per PPN 006, and to support the achievement of the supplier net zero target and the government net zero target.
4. **[Where a CPR was not required as part of the conditions of participation:]** The supplier commits to delivering this contract in a manner which supports the achievement of the supplier net zero target and the government net zero target.
4. **[Where a CRP was not required as part of the conditions of participation, but was required by paragraph 2:]** The supplier commits to delivering this contract in line with its Carbon Reduction Plan and to support the achievement of the supplier net zero target and the government net zero target.
5. The supplier shall create a Contract Carbon Footprint by undertaking an assessment of the GHG emissions for this contract within [X] months of the effective date. The assessment shall aim to quantify the GHG emissions associated with resources, time and assets deployed in the delivery of the contract and, in particular, identify GHG hotspots.
6. The GHG emissions assessment outlined in paragraph 5 should adhere to the **[Greenhouse Gas Protocol's Product Standard / ISO 14064 / Insert other standard]** and should be conducted to a mutually-agreed level of assurance. The GHG emissions to be included in the assessment shall be mutually agreed between the supplier and the authority.
7. The supplier undertakes to, within [X] months of the effective date, develop and implement a Carbon Reduction Plan, in the form set out in Table 2, for the contract,

with the objective of reducing the Contract Carbon Footprint of this contract by [10%] per contract year throughout the term (the **Emissions Reduction Target or ERT**), initially focusing on GHG hotspots and shall update and provide a copy of the Carbon Reduction Plan to the authority annually.

8. The supplier warrants to the authority that:

- it has sufficient resources, infrastructure and materials to achieve the ERT by the date of the expiry of the contract
- none of the goods and services supplied under this contract will be of lower quality as a result of working towards the ERT
- it will not offer preferential terms and conditions to those other customers who do not require an ERT or similar obligations in their contracts

9. [Optional text: At the authority's request, the supplier shall arrange for an independent assessment and verification of the Contract Carbon Footprint. The supplier shall make a copy of the results available to the authority as soon as reasonably practicable. The authority may request this independent assessment no more than once in any period of [two] contract years.]

- **Reporting**

10. The supplier shall:

- re-assess the GHG emissions every contract year
- provide the authority with a written report of the results of each assessment within X months of the completion under paragraph 7 of this schedule X using Table 1: Emissions report below and every following X months. The authority, acting reasonably, may make adjustments to the content or frequency of emissions reports as required.

- **[Optional section: Gain-share**

11. Where the supplier reduces the Contract Carbon Footprint by more than the Emissions Reduction Target percentage stated in paragraph 7 in any one year then the following gain-share mechanism shall apply (**gain-share mechanism**):

Gain-share mechanism:

X = Contract Carbon Footprint in Year 1 (measured in tonnes of CO₂e).

Y = Contract Carbon Footprint in Year 2 (measured in tonnes of CO₂e). This shall be recorded under 'Actual emissions' in Table 2.

X x % Reduction target (e.g. 10%) = the Emissions Reduction Target expressed in tonnes of CO₂e to be achieved in the following year.

Note: The reduction target should be recorded under Emissions Reduction Target (ERT) (%) in Table 2.

$X - Y$ = the difference in Contract Carbon Footprint between Previous Year and current Year (measured in tonnes of CO₂e). This is known as the **Actual Emissions Reduction (Actual ER)**.

Actual ER – ERT = '**Additional Emissions Reduction**' for the contract above the agreed [10]% required by paragraph 7 (Additional ER).

Additional ER x 50% of the market rate, as determined by the UK ETS Authority of the UK Emissions Trading Scheme (UK ETS)* to offset 1 tonne of CO₂e = payment made to the Supplier under the Gain-share mechanism (**Gain-share Payment**).

*As determined by the [UK ETS Authority of the UK Emissions Trading Scheme \(UK ETS\)](#)

12. The maximum cumulative value of any gain-share Payment(s) due to the supplier in any year of the contract shall be equal to [up to a maximum of 5]% of the value of the goods/services provided by the supplier to the authority in respect of that same year.
13. The gain-share payment shall only become due for payment after any verification process is complete.
14. The supplier shall invoice the authority for any gain-share payment after it has become due for payment and in the absence of any dispute about the level of the gain-share payment it shall be paid by the authority as if it were part of the charges.
15. The supplier shall invest at least [X]% of any gain-share payment(s) received by the supplier into green sustainability initiatives. The authority reserves the right to ask the supplier for evidence that it is complying with this requirement.]
 - **Net zero modification**
16. The parties agree to, wherever possible, perform their obligations under this contract in a way that minimises the Contract Carbon Footprint associated with the activities under this contract.
17. Either party may serve written notice to the other party, requesting or proposing a net zero modification in the performance of either party's obligations under the contract in order to reduce the Contract Carbon Footprint resulting from this contract (the **net zero modification notice**).
18. The notice must outline how the proposal will be implemented and must include:
 - a) the reason for the proposed net zero modification, including how the modification will assist in delivering the Emissions Reduction Target or, alternatively, how the net zero modification will improve the Contract Carbon Footprint
 - b) the time within, and the manner in which, the supplier proposes to implement the proposed net zero modification
 - c) the effect the proposed net zero modification will have on delivery of the contract (including any extension of time required to the date for practical

completion)

- d) any approvals required to implement the proposed net zero modification, and the effect of the proposed net zero modification on any existing approvals.

19. The requested net zero modification:

- a) must be capable of being implemented within [60] days following agreement between the parties
- b) must not result in an increase in an overall liability or cost to either party or a reduction in the quality of goods or services delivered to either party by the other as contemplated by this contract
- c) must not cause a reduction in compensation due to either party under the contract

20. Within [X] days of receipt of the net zero modification notice, the notified party must provide the notifying party with a written response either:

- a) accepting the request in the net zero modification notice [and outlining a way to implement it] within [60] days
- b) requesting further information; or
- c) rejecting the request in the net zero modification notice and explaining, reasonably and in good faith:
 - a) why the request would have a [material] negative impact on the notified party in terms of cost, quality, legal risk, or other relevant factors
 - b) why the request would not have a material impact on reducing the Contract Carbon Footprint resulting from this contract

21. Where the request in the net zero modification notice is accepted, the contract shall be modified following the Change Control Procedure.

22. If the notified party rejects the request in the net zero modification notice in accordance with paragraph 20c but the notifying party does not agree that the request would have a material negative impact on the notified party then both parties shall resolve the dispute in accordance with the Dispute Resolution Procedure.

- **Remediation plan**

23. The supplier shall notify the authority as soon as it becomes aware of any reason why it might fail to achieve any of the obligations in paragraph 7. The authority shall work with the supplier to agree a remediation plan for the supplier [in accordance with the Rectification Plan Process].

- **Fuel emissions**

24. The supplier shall avoid fuel emissions wherever possible by:

- a) arranging meetings using e-conferencing services where face-to-face meetings are not required by the authority

- b) using logistics to rationalise journeys and minimise miles travelled in the transportation of goods to authority premises
- c) providing online and webinar-based training for supplier staff, minimising the need for travel to attend courses
- d) encouraging supplier staff to use electric/hybrid vehicles or the rail service rather than petrol, diesel powered vehicles or short haul flights

- **[Optional section: Net zero supply chain cascade]**

- 25. [The supplier shall engage their supply chain partners to improve their sustainability and encourage them to set their own targets.]
- 26. [The supplier shall ensure that terms equivalent to those set out in paragraph 2 of this schedule are included in all sub-contracts that relate to the supplier's obligations under this contract.]
- 27. [The supplier shall, in line with the government net zero target [and authority net zero target] and emissions reduction contract targets:
 - a) agree responsibilities for emissions reduction with key sub-contractors
 - b) map the supply chain and identify critical supply chain partners]

Annex A – Guidance notes

- Under the heading **Net zero obligation**, please delete the optional text if it is not applicable. The paragraph numbers below may not match those in the Carbon Reduction Schedule above if you delete paragraphs while completing it.
- Under the heading **Net zero commitment, paragraph 2**:
The government net zero target is used to align with the requirements of PPN 006, which requires suppliers bidding for major government contracts to commit to achieving net zero by 2050 and publish a Carbon Reduction Plan.

There are two versions of paragraph 2:

- the first should be included for contracts **where a CRP was required** as part of the conditions of participation
- the second should be included for contracts **where a CRP was not required** as part of the conditions of participation

Authorities should ensure they include the relevant set and ensure this is consistent with paragraph 4 below.

Paragraph 2 asks the supplier to acknowledge the government net zero target and obliges them to set their supplier net zero target if they haven't already got one. Where contracts have been in scope of PPN 006, the supplier will have provided this information as part of their demonstration of compliance with the conditions of participation.

If the supplier did provide a CRP, as PPN 006 requires that the CRP is updated annually, then this requirement will be less burdensome if authorities can align the reporting dates at points 2.3 and 2.4 to the annual CRP update date.

A CRP confirms the supplier's commitment to achieving net zero by 2050, contains GHG emissions reported for all required Reporting Scopes and indicates the environmental management measures that the Supplier will be able to apply when performing the contract. For more guidance and a CRP template, please see PPN 006.

- Under the heading **Net zero contractual commitments, paragraph 4**:
There are three versions of paragraph 4:
 - The first is for contracts **where a CRP was required** as part of the conditions of participation.
 - The second is for contracts **where a CRP was not required** as part of the conditions of participation.
 - The third is for contracts **where a CPR was not required** as part of the conditions of participation, **but was required by paragraph 2**.

Authorities should ensure they include the relevant paragraph and ensure this is consistent with paragraph 2 above.

This section requires the supplier to set emissions reduction targets for the delivery of the contract (not at an organisational level) and outline specific actions/ behaviours that will be part of the delivery of the contract.]

- Under the heading **Net zero contractual commitments, paragraph 6**: alternative specific standards can be referenced here, if more appropriate to the Greenhouse Gas Protocol's Product Standard/ ISO 14064 sector or contract type.

- Under the heading **Net zero contractual commitments, paragraph 7:**
10% is given in paragraph 7 as an indicator. The reduction target will be agreed by the supplier and the authority and should be relevant to the subject matter of the contract and proportionate to its nature, complexity and cost. Authorities may wish to include these considerations as part of their preliminary market engagement activities.

This is the target that will be used to calculate any optional gain-share payments due to the supplier as set out in paragraph 11.
- Under the heading **Net zero contractual commitments, paragraph 9:** any requirements given in paragraph 9 should be relevant to the subject matter of the contract and proportionate to its nature, complexity and cost. Authorities may wish to include these considerations as part of their preliminary market engagement activities.
- Under the heading **Reporting, paragraph 10:** you may wish to cross-reference social value commitments where relevant reporting metrics have been used from the Social Value Model.
- The section **Gain-share:** this section is optional. It should be used to incentivise the Supplier to continue to reduce their Contract Carbon Footprint, even when they've reached the annual reduction target. Where this optional section is used, you should consider whether there are any subsidy control implications, which will be contract specific, and you may need to seek legal advice accordingly.
- Under the heading **Net zero modification: paragraphs 17 to 22** set out a modification procedure to reduce the Contract Carbon Footprint. These clauses are intended to be included in contracts which do not already contain an agreed change control procedure. Where the contract contains a change control procedure, these paragraphs may be replaced with:

"In accordance with the Change Control Procedure, either party may request or propose a net zero modification in the performance of either party's obligations under the contract in order to reduce the Contract Carbon Footprint resulting from this contract."
- Under the heading **Remediation plan, paragraph 23:** this section is intended to hold the supplier to account for any failures to meet their net zero contractual commitments. The authority can require the supplier to implement an improvement plan where it is unlikely to meet its target.
- Under the heading **Fuel emissions, paragraph 24:** this paragraph should be applicable to most contracts, however it should be removed if not relevant to the contract.
- The section **Net zero supply chain cascade, paragraphs 25 to 27:** this section is optional. If these paragraphs are used, Authorities will want to include requirements which are appropriate for their contract, ensuring that these are relevant to the subject matter of the contract and proportionate to its nature, complexity and cost and do not create unnecessary burdens on the supplier/supply chain.

If the contract is related to buildings and infrastructure development then you may want to refer to [PAS2080](#).

The engagement referenced in paragraph 25 could include training, advice on strategy, and sharing best practice on methods of improving sustainability, etc.

As an alternative to paragraph 25, authorities may wish to specify in paragraph 26 additional provisions of this schedule which will be included in sub-contracts. In doing so, authorities may give consideration to the impact that this may have on particular suppliers and how this would impact their procurement. For example, some suppliers are likely to be more sophisticated than others in the carbon reduction initiatives they are able to implement.

- **Optional and sector-specific paragraphs:** these can be found in Annex B. They should be included at the end of the contract, before the heading GHG emissions reporting if it is used. They should be included where relevant to the subject matter of the contract and proportionate to its nature, complexity and cost.

When including these T&Cs, please ensure that there is no duplication with any paragraphs included in other contract schedules.

- The section **GHG emissions reporting:** All reports and the content of these reports are optional. Authorities will want to select and amend those reports and requirements which are appropriate for their contract, ensuring that these are relevant to the subject matter of the contract and proportionate to its nature, complexity and cost and do not create unnecessary burdens upon the Supplier. Supplier engagement on this is key, as some suppliers will be more advanced in T&Cs of GHG emissions reporting than others. For example, where the procurement is not in scope of PPN 006 it may not be appropriate to require the supplier to report on all of the Scopes defined in Table 1. If the procurement is in scope of PPN 006, it may only be appropriate to require the supplier to provide contract Scope 3 emissions for the five categories included in the CRP. However, some suppliers may be able to provide GHG emissions reporting for additional categories, or there may be specific categories that are more relevant to the contract.

Authorities should test their proposed GHG emissions reporting requirements with potential suppliers as part of their preliminary market engagement, and should ensure that GHG emissions reporting requirements are relevant to the subject matter of the contract and proportionate to its nature complexity and cost and do not place undue burdens on Suppliers, especially SME and VCSE suppliers.

The emissions report should outline emerging GHG hotspots and key decarbonisation opportunities for consideration and provide supporting narrative to explain how interventions have affected the results.

Authorities should ensure that there is no duplication with other Standard Contract Schedules.

Annex B: Optional paragraphs

These optional paragraphs should be included where they are relevant to the subject matter of the contract and proportionate. When including these T&Cs, please ensure that there is no duplication with any paragraphs included in other contract schedules.

- **Part A: General provisions**

1. For the provision and disposal of goods:
 - 1.1. suppliers should ensure waste is minimised and the amount of waste sent to landfill is reduced – suppliers should also ensure packaging material is recyclable where possible
 - 1.2. where a good is unsuitable for refurbishment, the supplier shall ensure the good is recycled or disposed of in an environmentally friendly manner
 - 1.3. the supplier shall provide the authority with appropriate evidence that the Good has been disposed of in accordance with the requirements of the duty of care for waste as set out in the [Waste Duty of Care Code of Practice 2018](#), or its successor
 - 1.4. waste materials deposited into landfill sites shall be in accordance with the [Environment Agency Landfill Directive](#)
 - 1.5. the supplier shall work with the authority to offer a waste management service at little or no cost to the authority
 - 1.6. where the supplier stipulates a cost for the waste management service, the authority shall be provided with a breakdown of all Supplier costs – the supplier shall detail mitigating action taken to reduce costs for the authority
 - 1.7. the supplier shall take responsibility for waste management and work with the authority to ensure they meet external and internal targets for the reduction of waste – the supplier shall develop sustainable ways of achieving zero waste to landfill and continuous improvements as advances in technology arise
 - 1.8. the supplier shall provide information to the authority on the methods of disposal of waste, showing clear evidence of using disposal methods which are environmentally preferable as required – the supplier shall, wherever possible, recycle or use for energy recovery to avoid waste being sent to landfill and assure that as much of the waste as possible will be recycled
 - 1.9. the authority may request from the supplier details on the action taken by supplier to prevent waste being sent to landfill including whether the goods were reused via donation to charitable organisations or good causes
2. The supplier shall work proactively with its sub-contractors to help quantify and reduce the environmental impacts of the deliverables. When requested by the authority, the supplier shall communicate annually on progress and reductions made on the environmental impact of the deliverables the supplier has undertaken, in accordance with the terms of the contract.

3. The supplier shall deliver the obligations in respect of GHG emissions reporting requirements, on travel undertaken as part of the delivery of the works and services. GHG emissions shall be calculated in accordance with the DEFRA guidelines for measuring environmental impacts. The supplier shall ensure that the version used for calculation is current at the time the figures are produced. The current version may be accessed using the link below:
www.gov.uk/government/publications/environmental-reporting-guidelines-including-mandatory-greenhouse-gas-emissions-reporting-guidance.

- **Part B: Sector-specific paragraphs**

Technology sector paragraphs

1. The supplier shall comply with the [EU Data Centres Code of Conduct \(the Code of Conduct\)](#). The supplier shall ensure that any data centre used in delivering the services is registered as a 'participant' under this Code of Conduct or provide evidence that the best practices therein have been adopted.
2. When designing, procuring, implementing and delivering the contract, the supplier shall ensure compliance with the [technology code of practice](#), procure 'Energy Star' certified products and adopt appropriate best practices set out in ISO 50001 for Energy Management.

IT hardware asset management sector paragraphs

1. The supplier shall ensure that IT assets procured for the delivery of the contract shall as a minimum comply with Government Buying Standards (GBS) where those standards exist for the asset type concerned i.e. laptops, desktops, workstations, scanners and printers.
2. Where the IT asset is not covered by GBS, the supplier shall ensure compliance with the GBS criteria, covering mobile phones, imaging equipment (including printers, scanners, and copiers), and office IT products being monitors/computer displays, personal computers (laptops, notebooks, desktops, thin clients), keyboards, external power supplies and discrete graphic processors.
3. For asset types where there are no GBS or EU Green Public Procurement criteria available, the supplier shall ensure that the models of asset deployed have Energy Star certification (using 'ECMA' or equivalent declarations agreed with the authority) and comply with 'EPEAT' or equivalent schemes for sustainable management of resources and energy over the asset lifecycle.

Cloud services sector paragraphs

1. When hosting the Services in the cloud, all data centres used either by the supplier [or by its sub-contractors] in provision of the services, must be operated with due regard for energy and cooling efficiency and in accordance with the [EU Data Centres Code of Conduct](#) (the **code**).
2. In operation of the cloud service, all available power management facilities on supplier assets are to be utilised to deliver the service such that standby and other low power

modes are activated to match availability to demand, paying due regard to the service levels as specified in the Service Levels Schedule of the Standard Contract Templates.

3. The supplier shall provide the authority with a copy of the annual energy return required by the code, in respect of the energy used in the provision of the services.

Construction works sector paragraphs

1. The supplier shall, as part of each project contract:
 - 1.1. consider and propose methods for designing out waste and designing for destruction
 - 1.2. provide a 'Site Waste Management Plan'
 - 1.3. report on waste performance and, where specified, via an online tool
2. The supplier must adhere to the specific requirements regarding the salvaging of materials, ownership of salvaged materials and storage/removal of salvaged materials. The specific requirements will be defined in each contract.

Facilities Management sector paragraphs

1. Suppliers shall provide the authority with a sustainability management plan covering the suppliers approach to:
 - 1.1. energy management
 - 1.2. water, to include system infrastructure maintenance and wastewater management
 - 1.3. waste prevention and management including waste hierarchy and segregation
 - 1.4. recycling of waste paper
 - 1.5. reducing single use plastics in accordance with the [Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting requirements](#) and related regulations in place across devolved administrations and all future waste related regulations
 - 1.6. minimising transport use
2. The supplier shall ensure that where they have a responsibility to deliver project works on behalf of the supplier, all new buildings meet the BREEAM or equivalent schemes excellent standard, and that retrofits meet the 'very good' standard.
3. The supplier shall provide the availability of a professional BREEAM assessor service, provided by licensed BREEAM assessors on all matters relating to the BREEAM assessment of the authority premises if required by the authority including:
 - 3.1. reduction in running costs
 - 3.2. measurement and improvement of the performance of authority premises

3.3. empowerment of staff

3.4. development of action plans

3.5. reporting of performance

4. Where any new or replacement equipment, to include assets and component parts which contribute to the authority's carbon net zero performance at the authority premises are required, the supplier shall be responsible for completing 'Whole Life Costing' reports, prioritising low-/zero-carbon technologies and ensuring sustainable procurement methods form the basis of the recommendations issued to the authority. The supplier shall ensure authority approval has been received in advance of the commencement of any works at authority premises.
5. All replacement equipment delivered must be new, or (with the authority's written approval at its sole discretion) as new if recycled, reconstructed, unused and of recent origin.
6. The supplier shall work to reduce the amount of travel undertaken by supplier staff and third-party suppliers by combining deliveries of goods to each authority premises.
7. The supplier shall work to reduce GHG emissions from transport by adopting the use of environmentally-friendly transport solutions.
8. The supplier shall bring packaging waste in line with UK government initiatives by:
 - 8.1. influencing packaging recovery and recycling rates, and so reduce the amount of packaging disposed into landfill
 - 8.2. influencing the amount of packaging actually used in the supply chain
9. The supplier shall support energy management initiatives through:
 - 9.1. taking account of, and complying with, the authority's energy strategy and action plan and its targets under the Greening Government Commitments and any subsequent UK government policy
 - 9.2. working with the authority to meet external and internal targets for reducing energy consumption
 - 9.3. ensuring that all energy-consuming plant under its jurisdiction or control is maintained to operate at optimum efficiency and all fuels, gas, electricity are used economically, in accordance with any operational policies issued by the authority
 - 9.4. supporting the authority's initiatives for energy-saving strategies including separate heating, lighting and ventilation strategies and co-operate with the authority in achieving agreed objectives
 - 9.5. for waste management and collection, by:
 - 9.5.1. taking responsibility for waste management and working with the authority to strive to meet external and internal targets for the reduction of waste and

to develop sustainable ways of achieving zero waste to landfill and continuous improvements as advances in technology arise

9.5.2. providing information to the authority on the methods of disposal of waste, showing clear evidence of using disposal methods which are environmentally preferable (if required by the authority) – the supplier shall ensure that as much of the waste as possible will be recycled or used for energy recovery, rather than sent to landfill

9.5.3. developing a waste minimisation plan to reduce product consumption by rethinking the need, redeploying, repairing, refurbishing, leasing and/or hiring assets as appropriate using a formal mobile asset management plan

10. Where a catering service is provided, the supplier shall develop a food waste minimisation plan if required by the authority, in accordance with the best practice standard of the food and catering GBS and with the Waste and Resources Action Programme's Hospitality and Food Service Agreement.
11. The supplier shall collect and dispose of all of the waste in line with the 'Waste Hierarchy' and best practice.
12. The supplier shall ensure that transport GHG emissions are minimised by optimising collections and ensuring that transportation schedules are planned to reduce GHG emissions and/or through the use of well maintained, low-emission vehicles and, for example, electric vehicles.
13. The supplier shall ensure that all supplier staff responsible for collecting waste are trained and adhere to the authority's health and safety and environmental policies.
14. The supplier shall consider the potential for products to be re-deployed elsewhere, for example, when electrical and electronic products are no longer required, and shall consider using the CCS reuse website for furniture.