

# Net Zero Supplier Roadmap Detailed Market Sounding: April 2027

## Milestone

### Overview

The development and rollout of the [NHS Net Zero Supplier Roadmap](#) has benefitted from an open and collaborative approach to policy development between the NHS, suppliers and the trade associations that represent suppliers. The approach to the roadmap has ensured the NHS and its supply chain has taken its first steps to achieve net zero by 2045, as set out in the [Delivering a Net Zero National Health Service](#) Report.

NHS England is seeking views on aspects of the draft technical requirements for scope 3 target setting and reporting (the April 2027 milestone), laid out in the NHS Net Zero Supplier Roadmap.

The milestone states that: “From April 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”. This builds on the current NHS ask of suppliers and requires suppliers to go further than PPN 006, to include wider emissions reporting and a Net Zero target that aligns with the NHS target.

NHS England encourages respondents to share this survey with their relevant network to support NHS England in gaining a broad range of feedback and thoughts.

A glossary of key terms has been included and can be found on each page.

Please note, the requirements set out in this survey are draft proposals and subject to change as part of the current engagement programme. Final details will be confirmed when the technical requirements are published.

Please note your responses will be anonymous; you may choose to provide your organisation name if you wish. The survey is estimated to take approximately 30-45mins to complete.

Please read the NHS England Privacy Notice before completing the survey - [NHS England » Privacy notice](#)

About you/your organisation

1. Please select the option that best describes your role in responding to these questions.
  - NHS member of staff
  - Supplier to the NHS
  - Trade body/Association
  - Regulatory Body

- Professional Body
  - Academic, Non-Governmental Organisation, Industry Body
  - Other (free text)
2. If you are a supplier, please select the option that best describes your organisation.
- Micro sized company (defined by meeting 2 of the following criteria: under 10 employees, annual turnover under £1m or a balance sheet total under £500k)
  - Small or medium sized enterprise (SME) (defined by meeting 2 of the following criteria: 0-249 employees, a turnover under £54 million or a balance sheet total under £27 million)
  - Voluntary, community or social enterprise (VCSE)
  - Large company (250+ employees and annual turnover £50m+)
3. If you are a trade body/association, how many members do you represent? Please answer using number characters only.
- Free text (character count 50)
4. What is your organisation's main area of focus (where multiple sectors are covered, select the option most relevant to your relationship with the NHS)?
- Healthcare services
  - Catering, food and nutrition
  - Construction and minor works
  - Data and digital
  - Estates and facilities
  - Medical devices and equipment
  - Other manufacturing
  - Pharmaceuticals
  - Transport and distribution
  - I work for the NHS
  - Other (free text)
5. (Optional) If you wish, please provide your organisation name. (free text)

NHS England is seeking views and feedback on the following proposed technical reporting requirements:

## **1. Reporting entity**

### Proposed policy position

In line with current NHS policy and reflecting the complex nature of the NHS supply chain, it is proposed that the reporting entity should, at minimum, be the contract

bidding entity (the organisation engaging with the NHS). Alternatively, the parent company may report on behalf of the bidding entity.

### Background and context

To date, the NHS has taken a flexible approach to the required emissions reporting entity. This recognises the wide range of company structures in the NHS supply chain and allows the supplier to determine the most appropriate reporting entity based on their specific company structure.

The proposed approach aligns to the Greenhouse Gas (GHG) Protocol's approach to defining Organisational Boundary, to the International Sustainability Standards Board (ISSB) frameworks as well as Science-Based Targets initiative (SBTi) guidance.

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.
  - I don't know
2. Please explain your answer
  - Free text (700 characters words max, answering Q2 is dependant on answering Q1)

## **2. Global geographical boundary for net zero commitment and emissions**

### Proposed policy position

It is proposed that the reporting entity must apply a global geographical boundary for the net zero commitment and emissions reporting, encompassing all emissions under operational or financial control, as per the Greenhouse Gas Protocol.

### Background and context

Up to 95% of a company's carbon impact sits within its supply chain emissions and other areas of scope 3 emissions.<sup>1</sup> Defining and measuring these emissions present significant cost and carbon savings opportunities.<sup>2</sup>

This approach aligns to the Greenhouse Gas Protocol standard that requires organisations to define their organisational and operational boundary and then report all emissions within the reporting entity's control, including those that originate outside the UK.

1. <https://www.pwc.com/mt/en/publications/sustainability/the-importance-of-scope-3-emissions-for-sustainable-success.html>

2. <https://www.carbontrust.com/our-work-and-impact/guides-reports-and-tools/what-are-scope-3-emissions-and-why-do-they-matter>

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.
  - I don't know
2. Please explain your answer
  - Free text (700 characters max, answering Q2 is dependant on answering Q1)

### **3. Net zero commitment required**

#### Proposed policy position

It is proposed that the reporting entity should commit to net zero by 2045 or earlier for their scope 1, 2 and 3 emissions for a global geographical boundary for the entity level they have chosen or provide a rationale, in line with the constraints below, as to why they have set a net zero commitment for a later date, (such date still being before the end of 2050).

For reporting entities that have set net zero commitments after 2045, but before the end of 2050, recognition is given to targets that are robust, clear, and include near-term reductions. They must be validated through a credible net zero target validation standard, for example the Science-Based Targets initiative (SBTi) Corporate Net Zero Standard.

#### Background and context:

To date, the NHS has encouraged suppliers to set net zero targets of 2045 or earlier but have accepted net zero targets of 2050 or earlier, as outlined in the [CRP and NZC guidance](#).

The NHS is seeking feedback on comparable credible net zero target validation providers as part of this question set.

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.

- I don't know
2. Please explain your answer
    - Free text (700 characters max, answering Q2 is dependant on answering Q1)
  3. Please share any feedback on credible net zero target validation standards used (e.g. SBTi or other)
    - Free text (700 characters max)

#### **4. Reporting on scope 1, 2 and all relevant scope 3 emissions**

##### Proposed policy position:

It is proposed that the reporting entity reports on scope 1, 2 and all relevant scope 3 emissions defined in the Greenhouse Gas Protocol for their base year and current reporting year.

In line with reporting standards, the reporting entity must follow the Greenhouse Gas Protocol guidance to determine relevant scope 3 categories, and where categories are deemed “not relevant”, an explanation must be provided.

##### Background and context:

To date, the NHS has required alignment to the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard for reporting requirements. The NHS expects to continue to align to this standard when defining all relevant scope 3 emissions.

In line with the Greenhouse Gas Protocol, estimation methods can be used to calculate scope 3 emissions, for example through spend-based methods using carbon conversion factors. NHS England recognises that suppliers may not have access to comprehensive data throughout their supply chains and encourage suppliers to take initial steps to understand their scope 3 emissions in accordance with the Greenhouse Gas Protocol.

Since April 2024, the NHS has required suppliers who need to meet the Carbon Reduction Plan requirements to report on a specific subset of scope 3 categories – upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution. This subset will be expanded in line with the proposed position set out above.

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.

- I don't know

2. Please explain your answer

- Free text (700 characters max, answering Q2 is dependant on answering Q1)

## 5. Target validation

### Proposed policy position

It is proposed that target validation will be encouraged but not required for targets which comply with the 2045 requirement. Target validation is only required for reporting entities that have set targets after 2045 and before the end of 2050 in line with the requirements set out in the “net zero commitment required” section. This approach recognises the wide range of suppliers in the NHS supply chain who are at the early stages of their sustainability journey and supports them to take further steps.

### Background and context

The NHS recognises the increased credibility and transparency of having targets validated through a credible validation body (for example the Science-Based Target initiative (SBTi)) and the robustness this provides to an organisation’s net zero approach. Therefore, validation is highly encouraged and considered best practice for NHS suppliers and is recognised through mechanisms like the NHS Evergreen Sustainable Supplier Assessment.

1. To what extent do you agree with this position?

- I agree that this is the position that should be adopted.
- I partially agree this is the position that should be adopted.
- My reservations about this position outweigh my support for it.
- I have strong reservations about this position.
- I don't know

2. Please explain your answer

- Free text (700 characters max, answering Q2 is dependant on answering Q1)

## 6. Emissions verification

### Proposed policy position

It is proposed that emissions verification will be encouraged but not required. However, emissions calculations and reporting should adhere to the Greenhouse Gas Protocol’s Corporate Accounting and Reporting Standard and should be conducted to a reasonable level of assurance.

## Background and context

The NHS recognises the credibility of having emissions audited and verified to support the implementation of purposeful action. Therefore, emissions verification is highly encouraged and considered best practice for NHS suppliers and is recognised through mechanisms like the NHS Evergreen Sustainable Supplier Assessment.

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.
  - I don't know
2. Please explain your answer
  - Free text (100 words max, answering Q2 is dependant on answering Q1)

## **7. Disclosure of carbon offsetting expectations**

### Proposed policy position

It is proposed that the reporting entity provides an estimate of the emissions within their net zero target for which they anticipate using carbon offsets to neutralise the residual emissions that cannot be eliminated through direct emission reductions. Offset estimations may be confirmed closer to the target date.

### Background and context

The NHS expects organisations to reduce their emissions as far as possible and only offset any residual emissions that cannot be neutralised to achieve their net zero target. Current international good practice recommends prioritising approximately a 90-95% reduction of greenhouse gas emissions before any offsets are used, with consideration for sector-specific variations. Where offsets are used, they should be verified and evidenced by an independent and accredited third-party verification body against recognised quality standards.

1. To what extent do you agree with this position?
  - I agree that this is the position that should be adopted.
  - I partially agree this is the position that should be adopted.
  - My reservations about this position outweigh my support for it.
  - I have strong reservations about this position.
  - I don't know

2. Please explain your answer

- Free text (700 characters max, answering Q2 is dependant on answering Q1)

## **8. Alignment to international reporting standards**

### Proposed policy position

It is proposed that the reporting entity adheres to the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard when calculating and reporting scope 1, 2 and all relevant scope 3 emissions.

NHS England continues to explore ways to recognise and align with wider initiatives, for example CSRD and CSDDD.

### Background and context

To date, the NHS has required alignment to the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard for reporting requirements. Adhering to the Greenhouse Gas Protocol ensures alignment with globally recognised standards, enhancing credibility and consistency in emissions reporting. This simplifies the process by providing a clear standard for calculating and reporting scope 1, 2, and all relevant scope 3 emissions.

1. To what extent do you agree with this position?

- I agree that this is the position that should be adopted.
- I partially agree this is the position that should be adopted.
- My reservations about this position outweigh my support for it.
- I have strong reservations about this position.
- I don't know

2. Please explain your answer

- Free text (700 characters max, answering Q2 is dependant on answering Q1)

## **9. Approach to implementation**

### Proposed policy position

The NHS will continue to apply a proportionate approach to policy implementation, and will consider various options to do this, for example through applying tiered requirements based on anticipated contract value.

### Background and context

The NHS applies tiered requirements for carbon reduction plan and net zero commitment requirements for the procurement of NHS goods, services and works based on procurement threshold values. This proportionate approach to existing policy aims to support suppliers on their sustainability journey.



For details on existing policy, please see the [full guidance](#):

- A full CRP is required for procurements of high value and frameworks.
  - A Net Zero Commitment is required for lower value procurements (under £5m per annum and over procurement thresholds)
1. Would you support a tiered approach to the implementation of the scope 3 reporting requirements?
    - I agree that this is the position that should be adopted.
    - I partially agree this is the position that should be adopted.
    - My reservations about this position outweigh my support for it.
    - I have strong reservations about this position.
    - I don't know
  2. Please provide context to your answer provided to the above question on a tiered approach and how tiering would ensure a relevant and proportionate approach for the industry.
    - Free text (700 characters max, answering Q2 is dependant on answering Q1)

## 10. Follow up

1. Is the direction of travel of the above outlined technical requirements clear? Please note that the technical requirements will go into further detail on the above technical requirements and other key carbon accounting considerations to ensure the requirements are clear and understandable.
  - Very clear
  - Clear
  - Neutral
  - Somewhat unclear
  - Very unclear
2. If you have selected “somewhat unclear” or “very unclear”, please tell us what is challenging to understand
  - Free text (700 characters max)

## Glossary:

- **Validation** - To be validated, an organisation's net zero targets will need to be assessed by an independent third-party organisation who confirms that the net zero targets are credible, measurable, and consistent with global efforts to limit climate change, such as the goals of the Paris Agreement. For example, one recognised best practice route is via the Science Based Target initiative (SBTi). As part of this engagement, we are seeking views on credible net zero target validation standards.
- **Verification** – In order to meet GHG emissions reporting best practice, emissions verification should be completed in accordance with recognised verification standards and assessed against those standards by an independent third party. Recognised verification standards are expected to align to the Carbon Disclosure Project (CDP) recognised standards. Standards set out by CDP have a common set of attributes associated with relevance, competency, independence, terminology, and methodology.
- **Net zero** - Put simply by the [UN Net Zero Coalition](#), “net zero means cutting greenhouse gas emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere, by oceans and forests for instance”.
- **Neutralisation** - Measures that companies take to remove carbon from the atmosphere and permanently store it to counterbalance the impact of emissions that remain unabated.
- **Carbon Offset** – Carbon offsets are discrete green-house gas (GHG) reductions used to compensate for (i.e., offset) GHG emissions elsewhere, for example, to meet a voluntary or mandatory GHG target or cap.
- **Current international good practice for offsetting** – in line with international standards, including the [SBTi](#) and [CSRD](#), recommends prioritising a 90-95% reduction of greenhouse gas emissions before any offsets are used, with consideration for sector-specific variations
- **Scope 1 emissions ([link to GHG Protocol](#))** - direct greenhouse gas emissions that occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
- **Scope 2 emissions ([link to GHG protocol](#))** - greenhouse gas emissions from the generation of purchased electricity consumed by the company.
- **Scope 3 emissions ([link to GHG protocol](#))** - includes all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company.
- **Residual emissions** - emissions sources that remain unabated in a specific year of a mitigation scenario.

- **Near-term target** - near-term targets outline what companies will do now, and over the next five to 10 years, to reduce emissions in line with mitigation pathways to help achieve net zero across the global economy.
- **Bidding entity** – the entity of the supplier which submits the bid as part of a procurement process with the NHS and therefore the entity which enters into the contract with the NHS if successful in the procurement.