Cabinet Office

Procurement Policy Note

Taking account of Carbon Reduction Plans in the procurement of major government contracts

Action Note: 006

Previously issued: June 2021

Updated: February 2025

Issue

1. The UK government amended the Climate Change Act 2008[1] in 2019 by introducing a target of at least a 100% reduction in the net UK carbon account (i.e. reduction of greenhouse gas (GHG) emissions, compared to 1990 levels) by 2050.[2] This is otherwise known as the net zero target. This Procurement Policy Note (PPN) sets out how to take account of suppliers' Net Zero Carbon Reduction Plans (CRP) in the procurement of major government contracts.

Dissemination and scope

2. This Procurement Policy Notice (PPN) applies to all central government departments, their executive agencies and non-departmental public bodies. Such bodies are referred to as 'in-scope organisations'. Please circulate this PPN within your organisation, drawing it to the attention of those with a commercial and procurement role.

3. In-scope organisations should take action to apply this PPN when awarding public contracts[3] for goods and/or services and/or works, other than special regime

[1] Climate Change Act 2008: www.legislation.gov.uk/ukpga/2008/27/contents

[2] When the reporting of GHG emissions is measured, it is often done so in carbon dioxide equivalent units (CO_2e). The use of CO_2e allows for more accessible reporting and straightforward tracking and reporting of emissions over time. CO_2e includes all of the greenhouse gases defined within the Kyoto protocol: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and nitrogen trifluoride. Each of these greenhouse gasses have a conversion factor as published by DEFRA: www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020 When the phrase 'net zero carbon' is used, it is referring to both CO_2 and CO_2e emissions and means net zero GHG rather than net zero CO_2.

[3] See section 3 of the Procurement Act 2023

contracts,[4] with an estimated contract value above £5 million per year[5] (including VAT) under the Procurement Act 2023 save where it would not be relevant to the contract or proportionate to its nature, complexity and cost ('relevant contracts').

4. This PPN applies to frameworks and dynamic markets but only where it is estimated that the individual value of any contract to be awarded in accordance with the framework or by reference to a dynamic market is greater than £5 million per year (including VAT).

5. Contracting Authorities may wish to verify that the supplier remains committed to achieving net zero prior to entering into any contract awarded in accordance with a framework or by reference to a dynamic market as part of their contract award processes (for more information, refer to paragraphs 14 – 18 of the guidance on adopting and applying the PPN 006).

6. This PPN has been updated to reflect new terminology introduced by the Procurement Act 2023 and the Procurement Regulations 2024. The Procurement Act 2023 and the Procurement Regulations 2024 apply to procurements commenced on or after 24 February 2025. For more detail on the meaning of 'commenced' please refer to the Procurement Act 2023 Guidance on Transitional and Savings Arrangements.

7. The Procurement Act 2023 does not apply to procurements commenced before 24 February 2025 or to contracts awarded prior to this date (including via framework agreements, dynamic purchasing systems or qualification systems established under the previous legislation). For procurements commenced and contracts awarded before this date, please refer to PPN 06/21.

8. This update does not constitute a change in policy or a new call for action but in-scope organisations should continue to apply any ongoing obligations set out in the provisions of this PPN.

Timing

9. In-scope organisations must apply the provisions of this PPN to relevant procurements advertised on or after 24 February 2025.

Action

10. As part of assessing a supplier's technical ability, in-scope organisations should include, as a condition of participation, a requirement for bidding suppliers to provide a CRP (using the template at Annex A) confirming the supplier's commitment to achieving net zero by 2050 in the UK, and setting out the environmental management measures that they have in place and which will be in effect and utilised during the

[4] See section 10(6) of the Procurement Act 2023

[5] Based on advertised contract value, averaged over the life of the contract, e.g. a contract with a four year term with a total contract value of £21 million would be in scope, even if the value in the first year was under £5 million.

performance of the contract.[6] The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a CRP covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard[7] and Guidance,[8] and all of the following criteria are met:

- the bidding entity is wholly owned by the parent
- the commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity
- the environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract
- the CRP is published on the bidding entity's website

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practical and should note that the ability to rely on a parent organisation's CRP may only be a temporary measure to satisfy this particular condition of participation.

11. CRPs must meet the required standard as set out by the supporting guidance to this PPN. This includes, but is not limited to:

- confirming the supplier's commitment to achieving net zero by 2050 for their UK operations
- providing the supplier's current emissions for the sources included in Scope 1 and 2 of the GHG Protocol, and a defined subset of Scope 3 emissions
- providing emissions reporting in CO2e (carbon dioxide equivalent) for the six greenhouse gases covered by the Kyoto Protocol
- setting out the environmental management measures in effect, including certification schemes or specific carbon reduction measures the supplier has adopted, and will be able to apply when performing the contract and that support achieving net zero by 2050
- publication of the CRP on the supplier's website

[6] 'Bidding supplier' or 'bidding entity' means, for the purpose of this PPN, the organisation with whom the Contracting Authority will enter into a contract if it is successful.

[7] https://assets.publishing.service.gov.uk/media/67b334c67c070e71525f5818/PPN_006_Technical_standard_for_Completion_of_Carbon_Reduction_Plans.pdf

[8] https://assets.publishing.service.gov.uk/media/67b716f078dd6cacb71c6a87/2025-02-05_PPN_006_Guidance_on_taking_account_of_carbon_reduction_plans_-_adopting_and_applying_conditions_of_participation.docx.pdf

12. Environmental considerations and carbon reduction will be a factor in most, if not all, contracts and therefore it is expected that in the majority of cases, the application of this PPN will be relevant. This may include, but is not limited to:

    - contracts which have a direct impact on the environment in the delivery of the contract
    - contracts which require the use of buildings by staff engaged in the delivery of the contract
    - contracts which require the transportation of goods or people used in the delivery of the contract
    - contracts which require the use of natural resources in the delivery of the contract

13. In-scope organisations should make their own assessment of the measure's applicability on a case-by-case basis. In all cases, provision of a CRP in accordance with this PPN must be relevant and proportionate to the contract.

14. When applying the contents of this PPN, in-scope organisations must ensure they act transparently and in accordance with the principles of equal treatment and non-discrimination.

Background

15. The UK has a proud record of global leadership in tackling climate change and supporting clean growth. In 2006, the UK published the first global review into the economics of climate change.[9] This led to the Climate Change Act 2008, which established a comprehensive legal framework for delivering emission reductions in the UK, including a 2050 carbon reduction target and the introduction of carbon budgets.

16. Between 1990 and 2017, the UK reduced its emissions by 42% while growing the economy by more than two thirds.[10] In 2019 the UK government amended the Climate Change Act 2008 by increasing the target for reducing GHG emissions in the UK to at least 100% lower than 1990 levels by 2050. This is otherwise known as the net zero target. The UK became the first major economy to set this target.

17. 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. Net zero requires a reduction in emissions and (if necessary) that any emissions generated are balanced by schemes to offset an equivalent amount of GHG from the atmosphere, such as planting trees or using technology like carbon capture and storage.

[9] HM Treasury's review into funding the transition to a net zero greenhouse gas economy: https://www.gov.uk/government/publications/net-zero-review-terms-of-reference/hm-treasurys-review-into-funding-the-transition-to-a-net-zero-greenhouse-gas-economy-terms-of-reference

[10] Clean Growth Strategy 2018: https://www.gov.uk/government/publications/clean-growth-strategy/clean-growth-strategy-executive-summary

18. DESNZ instituted a reporting regime in 2018 that requires quoted companies, large unquoted companies (including charitable companies) and large Limited Liability Partnerships (LLPs) to self-declare their Scope 1 and 2 emissions under the Streamlined Energy and Carbon Reporting (SECR) from 1 April 2019. This measure therefore does not require any changes to the data companies are already submitting under SECR.

19. The government is committed to continuing its efforts to reduce GHG emissions and deliver on its carbon budget commitments, while keeping costs down for consumers and supporting the creation of good jobs and growing the economy. As environmental and carbon considerations feature in the aspects of delivery of most public contracts, this is an opportunity for us to take steps to support that commitment and reduce emissions through public procurement.

Cabinet Office

Carbon Reduction Plan guidance

Notes for completion

Where an in-scope organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required, as a condition of participation, to submit a CRP which details their organisational carbon footprint and confirms their commitment to achieving net zero by 2050.

CRPs are to be completed by the bidding supplier and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve net zero emissions by 2050.[11]

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a CRP covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard[12] and Guidance, and all of the following criteria are met:

- the bidding entity is wholly owned by the parent
- the commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity
- the environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract
- the CRP is published on the bidding entity's website

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's CRP may only be a temporary measure to satisfy this particular condition of participation.

The CRP should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the objectives of the CRP within their strategic plans.

A template for the CRP is set out below. Please complete and publish your CRP in accordance with the reporting standard published alongside this PPN.

[11] 'Bidding supplier' or 'bidding entity' means, for the purpose of this guidance, the organisation with whom the Contracting Authority will enter into a contract if it is successful.

[12] https://assets.publishing.service.gov.uk/media/67b716f078dd6cacb71c6a87/2025-02-05_PPN_006_Guidance_on_taking_account_of_carbon_reduction_plans_-_adopting_and_applying_conditions_of_participation.docx.pdf

Carbon Reduction Plan

Supplier name: Sanderson Weatherall

Publication date: 15/06/2026

Commitment to achieving Net Zero

Sanderson Weatherall is committed to achieving net zero emissions by 2035. With the support of our employees, we are making improvements in our travel, energy use, facilities, and supply chain.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: April 2019 – March 2020	
Emissions	Total (tCO2e)
Scope 1	0
Scope 2	76
Scope 3 (Including sources)	839
Total emissions	915

Current Emissions Reporting

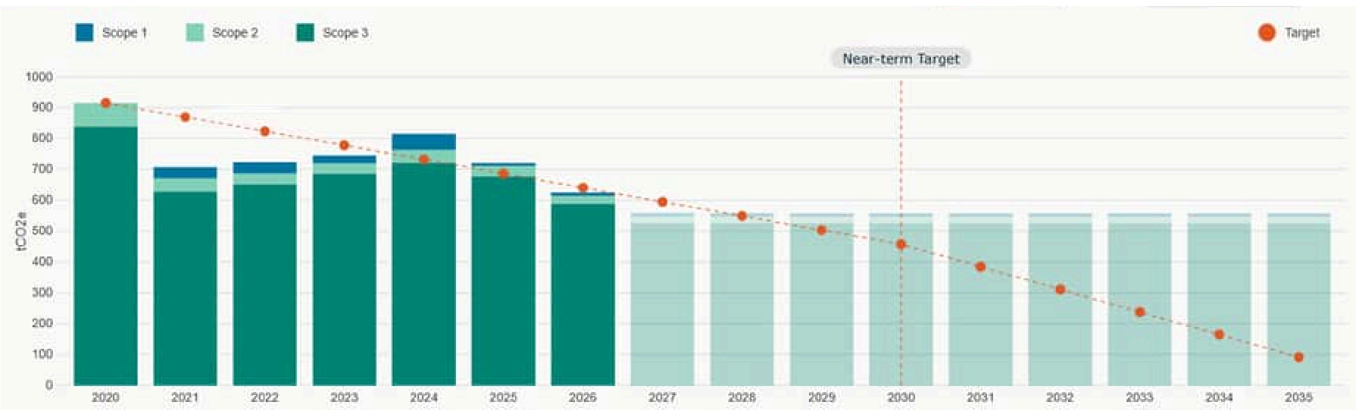
Reporting Year: March 2025 - March 2026	
In this reporting period, there was a 31.7% overall reduction in emissions compared to our baseline year (2020) and a 13% overall reduction from our previous reporting period (2024/25).	
Emissions	Total (tCO2e)
Scope 1	11
Scope 2	26
Scope 3 (Including sources)	588 **Category 1: Purchased goods and Services – 294.9** **Category 2: Capital goods – 211** **Category 3: Fuel and Energy-Related (not in Scopes 1 or 2) – 36.6** **Category 5: Waste Generated in Operations – 0.7** **Category 6: Business Travel – 114.4** **Category 7: Employee Commuting – 120.7**
Total emissions	625

Emissions reduction targets

To maintain momentum toward our net zero goal, we have set a near-term target for 2030, aiming to cut emissions by a further 12%, equivalent to 68 tCO2e, bringing our total emissions down to 557 tCO2e, based on the latest (2025/26) emissions data.

Annual progress against these targets is presented in Figure 1 below.

Figure 1 - Decarbonisation Progress from Baseline Year (2019/20) to Net Zero Target (2035).



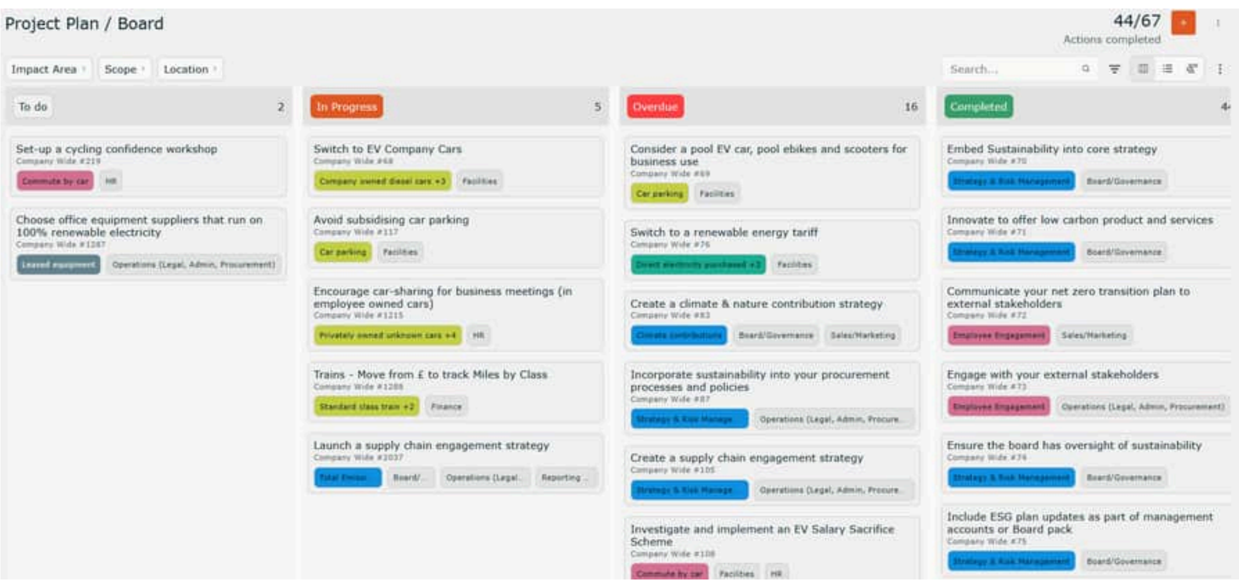
Carbon Reduction Measures

Completed Carbon Reduction Initiatives

Since 2020, multiple environmental management initiatives and projects have been successfully implemented, leading to a carbon emissions reduction of 195 tCO_2e, a 31.7% decrease from the baseline. These measures will remain in place and undergo annual review in collaboration with our carbon partners, Flotilla, as we continue refining our interactive carbon reduction action plan (see Figure 2).

- Engaging with suppliers via sustainability supplier questionnaires to understand details of completed carbon projects, reduction targets and ESG credentials.
- Flotilla conducted a staff survey to analyse employees' business-related carbon footprints, aiming to identify trends and interventions (see Figure 2).
- We've continued to actively promote our Cycle2Work scheme, welcoming seven new participants in 2025/26. This brings the total to 48 employees, representing approximately 26% of our workforce.
- In 2026 our Hybrid and electric vehicles made up 72% of our fleet, a 10.5% increase on the last reporting period, helping towards decreasing scope 1 emissions.
- Through introducing the 'Follow me' printing system, using 100% recycled printing paper and encouraging digitalisation, we have reduced paper usage by 75% since the baseline year.
- When searching for new office space, we exclusively consider properties with a minimum energy efficiency rating of Energy Performance Certificate C, in line with the MEES regulation.
- All Sanderson Weatherall offices are equipped with separate recycling and general waste bins, ensuring proper waste segregation. This initiative helps reduce landfill waste, lower greenhouse gas emissions, and promote a more sustainable workplace.
- Microsoft Teams has been implemented to minimise staff travel for internal and external meetings. By facilitating virtual collaboration, the initiative helps cut emissions from commuting and business travel, lowering fuel consumption.
- We have certification ISO14001 which encourages efficient and sustainable practices.
- Finally, over the past 18 months, Sanderson Weatherall has joined the Better Buildings Partnership, Small Medium Enterprise Climate Hub, and the United Nation's Race to Zero. These memberships enable us to collaborate with industry leaders to implement best-practice solutions for decarbonising our sector.

Figure 2 - Online Interactive Carbon Reduction Plan Actions



Potential Carbon Reduction Initiatives

Sanderson Weatherall is continually looking at ways in which we can reduce our environmental impact and carbon emissions while maintaining our signature, personable business model to ensure our clients continue to receive the service to which they are accustomed.

Our largest emissions hotspots are travel and professional services. Currently, our emissions relating to professional services are calculated on a spend-basis; however, we are working closely with our insurers, financial service providers, and legal support to create a more accurate representation of the actual emissions associated with them.

Potential carbon reduction initiatives that will be investigated over the next 12 months are:

- Investigate our supply chain to improve the data accuracy of its emissions.
- Revising the company car policy to encourage uptake of hybrid and electric vehicles.
- Continue to retain accreditation and undergo annual audits to maintain high standards and regulatory compliance within the industry. We aim to successfully complete the accreditation renewal process and pass the annual audit with no major non-compliances.
- Investigate the viability of active modes and public transport subsidy
- Assess the feasibility of increasing investment in carbon offsetting schemes and energy-efficient technologies.
- Encourage employees to utilise low carbon modes of transport.
- Continue to make our Carbon Reduction Plan publicly available - https://www.sw.co.uk/policies/carbon-reduction-plan/

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[13] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[14].

Scope 1 and Scope 2 emissions have been reported in accordance with UK Government Carbon Reduction Requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[15].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

David Rastrick
Chief Operating Officer

Date: 15/06/2025

13 https://ghgprotocol.org/corporate-standard
14 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
15 https://ghgprotocol.org/standards/scope-3-standard