

The 2019 Sustainable Facilities Management Index Assessment Criteria

The following 23 E-S-G criteria shall be used to assess outsourced providers of FM services in the UK, as determined by the SFMI methodology – based on those organisations where there is a public interest to understand their sustainability performance. On becoming a 'Partner' of the SFMI, an outsourced provider receives a further document that outlines the 'evidence base' required for each criteria.

ENVIRONMENTAL CRITERIA

CRITERIA	PERFORMANCE FOR TOP SCORE
Management Systems	The organisation has an EMS (certified to ISO 14001 or other), and understands the requirements therein. Top management are accountable, data within the system is consistent with reported data, and a communication strategy is in place. Aspects registers for corporate and contracts consider risks and opportunities, as well as compliance obligations.
Ecology	The organisation understands natural capital and the value that protecting and enhancing ecology brings to contracts and offices. Central guidance is available where contracts have appropriate scope for application, and the company confidently reports on KPIs for ecology, monitors progress against targets, while communicating with facility users to create awareness and behaviour change.
Energy	The company recognises energy as a critical business issue and demonstrates a commitment to achieving high standards and can provide examples of projects (in progress or completed) that are integrating clean energy solutions and tackling the performance gap. Energy management procedures and audits stimulate behaviour changes and innovative solutions are integrated into all tender responses
Water	The organisation integrates innovative solutions into all relevant tenders, and can provide corporate and contract consumption data alongside progress against targets for water reduction. Supply chains are engaged with the need to

	manage water effectively, and long-term commitments have been made. Aspect/Risk registers capture the local water risks and opportunities (quality, access, scarcity, flooding, freezing, amenity).
Circular Economy	<p>The company integrates resource efficiency into the services and can provide examples of initiatives that have delivered significant reductions in waste, reuse and closed loop recycling (including plastics).</p> <p>The company can also provide performance data and targets relating to its waste and resources impacts, and show how reclaimed/recycling resources are preferred/choice edited, and their procurement strategies, and business strategies assist in achieving goals for transformative change towards a circular system of business.</p>
Transport	The company acknowledges the importance of reducing personal vehicle dependency (staff and supply chain), states a commitment to upgrade fleet travel and promote public transport, and can provide examples of innovative initiatives to reduce vehicle dependency and the environmental impacts of vehicle travel. Emissions are well understood, reported annually, and verified. Flexible working is supported.
Projects	Lifecycle reviews of projects are undertaken to embed sustainability practices, with a structured approach to involve FM in the design, address the performance gap, and commissioning and knowledge transfer exercise. Evidence of examples where this has been implemented.

SOCIAL CRITERIA

CRITERIA	PERFORMANCE FOR TOP SCORE
Health & Safety	The organisation's H&S policy is publicly available, systems in place are certified (OHSAS18001), and reporting is consistent and covers performance against a core set of KPIs, and sets targets for improving performance which are reviewed at regular intervals. Best practice is communicated, and supply chains are engaged. Auditing occurs to maintain on-going compliance and includes supply chain operations.
Employment	The organisation understands its FM employment worker status breakdown, and has policies/procedures in place to protect workers/human rights. Equal opportunities are in place, and there are several schemes for employment of

	targeted groups (which links to a clear company social value strategy) The gender pay gap is understood and targeted for improvement, and public reporting on these aspects is consistent and provides targets for improvement.
Sustainable Communities	The company is dedicated to developing a relationship with their local communities/authorities/charities. It can provide examples where it has developed a long-term community engagement strategy based on the needs of the community and ability of the company. Social media is being used to enhance accountability, and funding is available for events that are programmed for the year and reviewed as such. The organisation has a clear social value approach, and reports regularly on progress of community initiatives and outcomes. The organisation is promoting sustainable behaviours throughout community activities.
Stakeholder Engagement	The company has identified its key stakeholders and can provide examples of detailed stakeholder dialogue as well as open, proactive relationships with NGOs and other organisations seeking to promote best practice in FM sustainability using innovative methods. Compliance obligations are understood, and are reviewed / reported where appropriate.
Supply Chain Management	The company engages with its supply chain in a proactive manner to encourage sustainability (including supply chain related emissions). It can prove the effectiveness of engagement activities amongst its suppliers. The organisation is engaged with the Modern Slavery Act, and understands the risk profile of its supply chain - which assists in decision making.
Wellbeing	Regular two-way dialogue with staff, including post-occupancy studies to optimise working conditions, productivity and wellbeing. The organisation understands its sickness and turnover rates and targets its improvement. Board members promote and participate in an initiative calendar, and recognised standards are utilised to frame improvements.
Employee Development	The organisation understands its core skills requirements, and employment risk the company faces. With skills shortages for the short-term and long term identified. Consideration to how disruptive change to the industry will change skill requirements. It creates schemes to target the minimisation of skills shortages, and has strategic documentation in place to provide guidance for the future. Competencies on sustainability are reviewed and targeted for improvement where appropriate. Reporting takes place for training and other aspects where relevant.

GOVERNANCE CRITERIA

CRITERIA	PERFORMANCE FOR TOP SCORE
Risk Management	Fully implemented risk management structures which enable the clear and consistent communication and reporting of both financial and non-financial risks in contracts and corporate levels, and how each influence strategic decision making. Product, service, and business relationship lifecycles will be integrated into the approach taken.
Board Commitment	Leadership on sustainability, and a responsible business culture is present and felt throughout the organisation (interviews). Lines of communication to and from board level are open and regular. Board committees exist to integrate sustainability into decision making. The competency of the leadership is sufficient to meet ISO 14001:2015 standards. Board members have clear targets that drive both corporate success and sustainability in juxtaposition.
Sustainability Frameworks	The company has a board-approved comprehensive sustainability policy integrating environmental, social and economic responsibilities, and identifies core areas of sustainability for the organisations and publishes it in its core and supplementary disclosure. Impacts of technological advances are considered and integrated into frameworks.
Disclosure	Supplementary disclosure has external assurance and contains coverage of core areas (ESG) with targets and performance data, and priorities for the next year. New initiatives are reported in good time, including the gender pay gap. The organisation has established science-based targets (or similar approach to targets) and are aligned to SDGs. The company's communication strategy has been tested and helps ensure an on-going culture of sustainability.
Financial	Specific budgets are available for investment in FM sustainability and the business's decision making is informed by triple-bottom-line factors. The sales and business development teams are engaged to grow business sustainably. This capital spend is reviewed and its impact is understood centrally, in both financial and non-financial terms.

Compliance	A structured approach to managing legal compliance is in place. Up-coming legislation is understood, and adaptive measures are being taken. Breaches or civil sanctions are documented, and records can show how these impact management. Compliance obligations must also be addressed in a systematic, authenticated, and verifiable way.
Contracts	Demonstrate how sustainability is integrated in tender responses, and mobilisation phases. The organisation provides guidance to internal teams and supply chains to integrate sustainability where possible. The FM provider is flexible to change in contracts and has a core set of sustainability deliverables for every contract. Relevant legislation (Social Value Act) is applied with ease in appropriate contracts.
Diversity	Reporting includes a detailed description of approach towards diversity and skills within the organisation. The organisation is able to demonstrate its commitment to promoting diversity both within the organisation (employees and board) and the supply chain.
Collaborations	<p>The FM organisation understands both risks and opportunities from working collaboratively, and can illustrate how doing so has contributed to wider corporate level or contract level sustainability.</p> <p>Formal procedural information may be in place (potentially aligned or accredited to BS11000) for how collaborations are considered, established, and measured to understand their on-going relevance.</p>