

Public Document Pack



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PUBLIC

To: Members of Improvement and Scrutiny Committee – Climate Change, Biodiversity and Carbon Reduction

Friday, 4 February 2022

Dear Councillor

Please attend a meeting of the **Improvement and Scrutiny Committee – Climate Change, Biodiversity and Carbon Reduction** to be held at **2.00 pm** on **Monday, 14 February 2022** in the Council Chamber, County Hall, Matlock; the agenda for which is set out below.

Yours faithfully

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington
Director of Legal Services

A G E N D A **PART I - NON-EXEMPT ITEMS**

1. To receive apologies for absence
2. To receive Declarations of Interest (if any)
3. Public Questions (30 minutes maximum in total) (Pages 1 - 2)

(Questions may be submitted to be answered by the Scrutiny Committee, or Council officers who are attending the meeting as witnesses, on any item that is within the scope of the Committee. Please see the procedure for the submission of questions at the end of this agenda.)

4. The County Council's Role in the Development and Implementation of Low Carbon and Sustainable Planning Policy across the County (Pages 3 - 12)
5. Sustainable Procurement (Pages 13 - 44)
6. Climate Change Performance Monitoring (To Follow)

Procedure for Public Questions at Scrutiny Committee meetings

Members of the public who are on the Derbyshire County Council register of electors, or are Derbyshire County Council tax payers or non-domestic tax payers, may ask questions of the Improvement and Scrutiny Committees, or witnesses who are attending the meeting of the Committee. The maximum period of time for questions by the public at a Committee meeting shall be 30 minutes in total.

Order of Questions

Questions will be asked in the order they were received in accordance with the Notice of Questions requirements, except that the Chairman may group together similar questions.

Notice of Questions

A question may only be asked if notice has been given by delivering it in writing or by email to the Director of Legal Services no later than 12noon three working days before the Committee meeting (ie 12 noon on a Wednesday when the Committee meets on the following Monday). The notice must give the name and address of the questioner and the name of the person to whom the question is to be put.

Questions may be emailed to democratic.services@derbyshire.gov.uk

Number of Questions

At any one meeting no person may submit more than one question, and no more than one such question may be asked on behalf of one organisation.

Scope of Questions

The Director of Legal Services may reject a question if it:

- Exceeds 200 words in length;
- is not about a matter for which the Committee has a responsibility, or does not affect Derbyshire;
- is defamatory, frivolous or offensive;
- is substantially the same as a question which has been put at a meeting of the Committee in the past six months; or
- requires the disclosure of confidential or exempt information.

Submitting Questions at the Meeting

Questions received by the deadline (see **Notice of Question** section above) will be shared with the respondent with the request for a written response to be provided by 5pm on the last working day before the meeting (ie 5pm on Friday before the meeting on Monday). A schedule of questions and responses will be produced and made available 30 minutes prior to the meeting (from Democratic Services Officers in the meeting room).

It will not be necessary for the questions and responses to be read out at the meeting, however, the Chairman will refer to the questions and responses and invite each questioner to put forward a supplementary question.

Supplementary Question

Anyone who has put a question to the meeting may also put one supplementary question without notice to the person who has replied to his/her original question. A supplementary question must arise directly out of the original question or the reply. The Chairman may reject a supplementary question on any of the grounds detailed in the **Scope of Questions** section above.

Written Answers

The time allocated for questions by the public at each meeting will be 30 minutes. This period may be extended at the discretion of the Chairman. Any questions not answered at the end of the time allocated for questions by the public will be answered in writing. Any question that cannot be dealt with during public question time because of the non-attendance of the person to whom it was to be put, will be dealt with by a written answer.



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

**IMPROVEMENT AND SCRUTINY COMMITTEE – CLIMATE CHANGE,
BIODIVERSITY AND CARBON REDUCTION**

MONDAY, 14 FEBRUARY 2022

Report of the Executive Director - Place

**The County Council's Role in the Development and Implementation of
Low Carbon and Sustainable Planning Policy across the County**

1. Purpose

- 1.1 The purpose of this report is to inform the Improvement and Scrutiny Committee of the continued joint work with Derbyshire partners that is taking place across Planning Services to develop up to date and meaningful policies to help tackle climate change.

2. Information and Analysis

- 2.1 The County Council has a long history of successful collaboration on strategic planning matters, plan and policy making. Local planning authorities (LPAs) are required by law to prepare local plans. In principle, planning applications for developments that accord with adopted local plan policies should generally be approved. The leading documents that are used to assess planning applications for development are the adopted Local Plans.
- 2.2 The County Council is a statutory consultee to all the Derbyshire LPAs, as set out in the Localism Act 2011, and has a duty to respond to their statutory consultations on the Derbyshire Local Plans.
- 2.3 Historically, the County Council has played an important role in co-ordinating strategic planning across the County, working jointly with all the LPAs, including Derby City and the Peak District National Park Authority. This role continues and is now more important than ever. At the heart of this is our ability to help make a long-term difference to their

areas by helping facilitate good growth in the County and in Derby City. Much of this work focuses on housing delivery, job creation and investment and strategic infrastructure through the statutory local plan process.

2.4 Effective joint working includes:

- collaboration through a range of Derbyshire-wide officer working groups, such as the Planning Policy Officer Group, Heads of Development Management Officer Group, Heads of Planning Service Group and Planning Information Monitoring Officer Group;
- drafting of a range of Statements of Common Ground on cross boundary, strategic planning and highways matters to support district and borough local plan preparation and their associated Examinations in Public (EIPs);
- supporting Duty to Co-operate responsibilities as part of the local plan preparation;
- County Council appearing jointly at local plan EIPs to provide evidence on key cross boundary strategic planning matters; and
- establishing regular meetings to discuss cross-boundary strategic infrastructure provision.

2.5 The County Council, as the Mineral and Waste Planning Authority, also has a statutory duty to prepare a Minerals Local Plan and Waste Local Plan which set out policies for sustainable minerals and waste development. These plans are being prepared jointly with Derby City and will propose policies that aim to address the impacts of climate change and adaptation.

2.6 During last 18 months, the Planning Service has, through Vision Derbyshire, been working on a “Climate Change and Planning Policy Work Theme” which is currently being progressed by Derbyshire partners. The Work Theme will provide an important context and agreed principles for the next round of Local Plan reviews that will provide support in developing consistent and robust local plan policies to address climate change mitigation and adaptation. This work also meets the key targets and actions as set out in the Derbyshire County Council Climate Change Strategy: Achieving Net Zero (2021-2025).

2.7 Climate Change is now the greatest challenge facing society. The scientific evidence of climate change is overwhelming, and the global impacts of climate change will be severe.

2.8 The UK has a legal commitment to bring greenhouse gas emissions to net zero by 2050 with a minimum 78% reduction from 1990 levels by 2035. At a local level, the County needs to play its part in this by

reducing emissions and increasing renewable energy generation. Spatial planning plays a central role in the transition to a low-carbon society, by shaping new and existing developments in ways that reduce carbon dioxide emissions, and in the consideration of renewable energy proposals.

- 2.9 This is particularly important as Derbyshire continues to be an area of high planned growth up to around 2035. There is now a good understanding of the current distribution of the growth agenda that will deliver homes, economic development and key infrastructure within Derbyshire over the next 15 years. It is timely to develop a range of planning policies that will help Derbyshire meet the necessary carbon reduction targets, but also will be embedded in helping good growth within the County. There is now an opportunity to start thinking about the next generation of growth and ask fundamental questions around what the Council would like Derbyshire to be like in the next 50 years and how shared issues can best be addressed.
- 2.10 Fundamental to this is how both climate change mitigation and climate change adaptation is addressed. Many of the adverse impacts of climate change, such as extreme heat, flooding and water scarcity, vary spatially but will result in costs to businesses and householders of Derbyshire. Solutions to these problems need to be developed locally. Planning can do this directly through, for example:
- Consenting renewable-energy developments.
 - Determining the location, scale, mix and character of development to ensure that its density, layout, building orientation and landscaping make it resilient to climate impacts.
 - Encouraging a wide range of behavioural change, such as enabling people to make personal choices through, for example, the creation of green and walkable streets.
- 2.11 LPAs are bound by the legal requirement set out in Section 19 of the Planning and Compulsory Purchase Act 2004, as amended by the Planning Act 2008, for development plan documents (taken as a whole) to include policies designed to secure that the development and use of land in the LPA's area contribute to the mitigation of, and adaptation to, climate change. This outcome-focused duty on local planning clearly signals the priority to be given to climate change in plan-making.
- 2.12 In planning for renewable energy, paragraphs 155, 156 and 158 of the National Planning Policy Framework (NPPF) encourage local authorities to take a positive approach by identifying suitable areas for renewable energy generation and its supporting infrastructure, and by maximising

the opportunities for community-led and decentralised energy production.

- 2.13 LPAs produce local plans, minerals and waste plans and transport plans and are therefore uniquely positioned to take a leading role in tackling climate change and integrate proposals for energy infrastructure through these various planning documents, helping reduce greenhouse gas emissions and encouraging renewable energy generation.
- 2.14 A planning and climate change workstream has been identified under the Vision Derbyshire ‘live and work sustainably’ theme to achieve the rapid delivery of an agreed planning policy approach across the County. Following a meeting of the Planning and Climate Change executive group, the following ‘quick wins’ have been identified:
- 1) Climate Change Supplementary Planning Document (SPD) (or similar) – umbrella document to drive consistent planning policy across the County.
 - 2) Review of Derbyshire Local Plan Climate Change related policies – consider good practice across Derbyshire or UK.
 - 3) Review of Renewable Energy Development – what has been developed and approved.
 - 4) Developing Climate Change Guidance for Derbyshire Neighbourhood Plans.
 - 5) Presentations to all D2 (Derby and Derbyshire) Chief Executives and Leaders – ongoing learning including for officers.
- 2.15 There is already a strong, common platform of support for work in this area as each of the district, borough, County, City and National Park authorities have either declared a climate change emergency or adopted a motion to address climate change and from doing so, have also worked closely to develop the Derbyshire Environment and Climate Change Framework.
- 2.16 The existing Derbyshire Planning Policy Officers Group has commissioned a Climate Change and Planning sub-group. which meets every three weeks to drive forward this work, and is constituted of Vision Derbyshire and non-Vision Derbyshire authorities in recognition of the importance of the agenda
- 2.17 Significant work has progressed to address the five quick wins identified above. A summary of progress is contained below:
- 2.18 **Climate Change Supplementary Planning Guidance**
Ten out of 12 local plans in Derby and Derbyshire (including the Minerals and Waste Local Plans) are currently being replaced or are in

a review process and this is therefore opportune time to bring forward the development of a future policy.

- 2.19 The sub-group agreed to look at supplementary planning guidance (SPG) to provide the strategic policy framework and to that end, a draft SPG document has been prepared recently. The SPG will provide the information needed to develop and implement local plan policies that address the causes of climate change and the actions needed to adapt to the changes that are now inevitable.
- 2.20 The SPG will seek to assist in the development of robust planning policy that will:
- maximise reductions in greenhouse gas emissions from energy use, embedded energy and the creation of wastes;
 - improve community and infrastructure resiliency to the impacts of climate change;
 - avoid pollution of the air, land and water;
 - avoid noise and light pollution;
 - contribute to the health and wellbeing of Derbyshire's communities and natural systems;
 - facilitate transport choices, prioritising demand reduction, active travel and modal shift to other clean alternatives such as public transport and battery electric vehicles (BEVs);
 - conserve and enhance the natural environment and contribute to biodiversity enhancement and carbon sequestration; and
 - facilitate clean growth in the economy, taking advantage of demand for green technologies and services.
- 2.21 The SPG will address current Derbyshire Local Plan Climate Change related policies and consider good practice from across the UK. The guide will also assist in the development of local planning policy at all levels, including neighbourhood plans but will not provide draft policies, as these are to be made in light of local circumstances and priorities. The document will, however, identify a number of climate-related issues or design considerations that should be taken into account in the design and implementation of development proposals and can be included in development plan policies.
- 2.22 To support the SPG, an innovative climate change metric has been produced which quantifies the degree to which a development at planning application stage contributes to climate change mitigation. The metric does not give an indication of tonnes of greenhouse gas saved through reduced emissions but is intended to identify whether or not a number of issues or design considerations have been included in the development design process and whether they have been included

for implementation in the final proposal. The metric highlights where there are deficiencies in an application in the following areas: energy efficiency and generation, transport and active travel, design and layout, green and blue infrastructure and biodiversity.

2.23 The metric provides the opportunity for both developers and/or planning officers to assess the level to which climate change has been considered in the design of a planning proposal. As such, the SPG and metric are intended as a web-based resource.

2.24 **Review of Existing Renewable Energy Resource and Evidence of Future Potential Resource and Capacity**

The Department for Business, Energy and Industrial Strategy (BEIS) already monitors renewable energy developments on a quarterly basis. This information will be reviewed periodically by sub-group officers.

2.25 The Commissioning of part of later work it is considered that new evidence on green energy/renewable energy is considered necessary to support plan making and the development management process, because previous studies for renewable energy are piecemeal and out of date. Furthermore, there has recently been a raft of speculative large-scale solar planning applications in Derbyshire with little or nothing in current Local Plans to guide decision making on such significant developments. A renewable energy study will help authorities to strategically assess sites and applications as part of both the Local Plan and the Development Management planning processes.

2.26 As noted above, a number of local plans are currently within a review process and the time is therefore right to develop a Derbyshire-wide understanding of how much energy is needed, the type and potential scale of renewable energy technologies, where renewable energy generation developments could be located and the potential opportunities and challenges this could present, including the deployable potential energy generating capacity that may be available from renewable sources.

2.27 Successful grant submissions have been made to the Midlands Energy Hub, D2 Energy Board and Business Rate Funding, to raise £50,000 funding which is enabling a renewable energy study to be delivered, the key aims of which are:

- To provide LPAs with sufficient fine grained detail to develop an understanding of the overall energy requirement, the potential for renewable energy development in their areas; the potential energy generating capacity; and how this development might be planned for and managed through the planning system.

- The provision of robust evidence to underpin the inclusion of effective renewable energy and climate change policies into Local Plans to support both the examination in public of a local plan and the defence of a local plan policy at a planning appeal.
- To ensure that the right typology of renewable energy is delivered in the right location, given the degree of landscape sensitivity in Derby and Derbyshire and the Peak District National Park, using landscape character types as a spatial framework.
- To contribute towards a local plan evidence base in line with the National Planning Policy Framework, and in particular paragraphs 155 and 158(b).

2.28 A contract for this study work has been awarded to Scene, a specialist consultancy that has expertise in renewable energy.

2.29 Ongoing learning:

There are three learning streams proposed:

- Targeted, bespoke training on the climate change metric for local planning authority officers, to be facilitated in 2021. This may also be recorded on Teams as a training resource.
- A wider Derby and Derbyshire webinar training event for all members and officers with key speakers towards the end of the workstream.

2.30 One of the conditions of the Midlands Energy Hub and D2 Energy Board grant is to disseminate the 'Derbyshire' approach and Renewable Energy Study information across the Midlands Energy Hub area. The consultants appointed for the renewable energy study are also to present workshops/seminars about their work on the study

Next Steps - further work streams

2.31 Given the success of this workstream and the progress made towards its delivery, the sub-group has suggested further work with regard to the climate change agenda. These are subject to capacity and could be taken forward as part of the ongoing Vision Derbyshire workstream.

3. Consultation

3.1 In its role as a strategic planning authority, the County Council is a statutory consultee for local plan making. It also provides statutory comments on significant strategic development. It therefore has a duty to respond to statutory planning consultations and in doing so will involve a range of specialist officers in the Council.

- 3.2 The SPG does not require formal consultation. It has been developed through engagement with County Council officers and planning/climate change officers from Derbyshire's District and Borough Council. There is no statutory duty to engage on this document. The SPG and the metric was sent for validation and comment to the Town and Country Planning Association (TCPA), which co-authored with the Royal Town Planning Institute the publication 'The Climate Crisis: A Guide for Local Authorities on Planning for Climate Change'; and to the Tyndall Centre for Climate Change Research (a partnership of universities). Current indications are that both consultees like the approach with further comment to follow. The draft content of the SPG and metric will be shared imminently with the sub-group members for comment.

4. Alternative Options Considered

- 4.1 Not to continue the collaborative approach to working with all the other Derbyshire Local Planning Authorities could raise the risk of inconsistent climate change policies across Derbyshire. Without the SPG and metrics, there would be a conspicuous lack of county-focussed guidance tailored to supporting consistent policy formulation. Therefore, this option is considered to be untenable.
- 4.2 In developing a collaborative approach, alternative approaches to climate change planning policy were considered, and the preferred approach is continuing working closely with all the Derbyshire Local Planning Authority partners, which is considered achievable within the County Councils planning statutory duties.

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 Not applicable.

7. Appendices

- 7.1 Appendix 1 – Implications

8. Recommendation

That the Committee resolves to acknowledge the progress being made and support the ongoing activity in collaborative work with D2 partners for developing low carbon planning policies including the

development of draft Supplementary Planning Guidance and the Strategic Renewable Energy Study, that is reported on in this report.

9. Reason for Recommendation

- 9.1 This work is within the theme work streams of Vision Derbyshire and the priority actions of the Derbyshire County Council Climate Change Strategy. The Supplementary Planning Guidance and the Strategic Renewable Energy Study will both provide important strategic evidence to support development of consistent local planning policies on climate change and contribute to delivery of the Climate Change Strategy.

| | | | |
|----------------|----------------------|-----------------|---|
| Report | David Arnold, | Contact | david.arnold@derbyshire.gov.uk, |
| Author: | Joanna | details: | Joanna.Jackson@derbyshire.gov.uk |
| | Jackson | | |

Implications

Financial

- 1.1 The delivery of the work streams has been shared across the Local Planning Authority partners and has no financial implications for the Council. Successful grant submissions were made to the Midlands Energy Hub, D2 Energy Board and Business Rate Funding, to raise £50,000 funding has enabled a renewable energy study to be delivered.

Legal

- 2.1 The Council, by powers contained in the Local Government Act 2000, Local Government and Public Involvement in Health Act 2007, the Sustainable Communities Act 2007 and the Localism Act 2011 is empowered to engage with other agencies and stakeholders for helping to mitigate and adapt to climate change.
- 2.3 Local planning authorities are bound by the requirement set out in Section 19 of the Planning and Compulsory Purchase Act 2004, as amended by the Planning Act 2008, for development plan documents (taken as a whole) to include policies designed to secure that the development and use of land in the LPA's area contribute to the mitigation of, and adaptation to, climate change.

Human Resources

- 3.1 None.

Information Technology

- 4.1 None.

Equalities Impact

- 5.1 None.

Corporate objectives and priorities for change

- 6.1 The collaboration with other Local Planning Authorities supports the Council's ambition to be a net zero organisation by 2032, or sooner, and for the County to be net zero by 2050 and informs the action that needs to be taken to achieve these ambitions.

Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None.



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

**IMPROVEMENT AND SCRUTINY COMMITTEE – CLIMATE CHANGE,
BIODIVERSITY AND CARBON REDUCTION**

MONDAY, 14 FEBRUARY 2022

**Report of the Interim Executive Director - Corporate Services and
Transformation**

Sustainable Procurement

1. Purpose

1.1 The Purpose of this report is to provide an update on the Councils proposals for implementation of Sustainable Procurement.

2. Information and Analysis

2.1 Derbyshire County Council Climate Change Governance

Climate change is a multi-faceted, cross-departmental issue requiring support and action from all employees, so co-ordination of the different agendas is essential to achieve our aims and to maximise the co-benefits of tackling climate change.

To ensure we move forward in a coordinated way the governance of climate change projects and actions within the Council has recently been reviewed. This resulted in the establishment of 12 different “Theme Teams”, each with responsibility of co-ordinating and delivering projects across departments. Procurement is one of the twelve themes established to develop, implement, manage, and monitor delivery plans.

The Derbyshire County Council Climate Change Strategy: Achieving Net Zero (2021-2025) set out two priority actions for Procurement:

- Develop a Sustainable Procurement Framework using the UK government's green procurement guidance to embed environmental requirements and Social Value into all contracts.
- Review the commissioning principles across all teams to ensure that climate change is embedded across our services and partner working.

2.2 Development of a Sustainable Procurement Policy

Sustainable procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis. This means generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to and promoting the health of the environment.

Sustainable procurement requires the Council to work in partnership with suppliers and the supply chain to consider the whole lifecycle, environmental, social and economic impact of procured goods and services.

Sustainable procurement is not limited to environmental considerations alone (such as carbon, waste, and water). Sustainable Procurement is made up of three key principles – Social, Environmental and Economic.

Our Sustainable Procurement Policy (Appendix 2) sets out the proposals for Derbyshire County Council to achieve the best commercial outcome and value for money from our procurement activities whilst delivering environmental, social, and economic benefits.

County Procurement recognises its responsibility to carry out procurement and commissioning activities collaboratively and in an economically, environmentally, and socially responsible manner, aiming to create a long-term, sustainable vision for the county. The Council's supply chain must have a strong focus on people, the environment, and ethics within their business.

2.3 Delivering Sustainable Procurement

A National Value Taskforce was set up in 2016 as a subgroup of the LGA's National Advisory Group for procurement.

In collaboration with over 40 separate public and private sector stakeholders the taskforce established the National TOM's (Themes, Outcomes & Measures) Framework. It was established to encourage public sector organisations to use procurement as a way to achieve wider financial and non-financial outcomes, including improving wellbeing of individuals,

communities and the environment by making them part of the decision-making criterion when awarding contracts.

The 2020 TOMs include extra emphasis and focus on providing councils and organisations with measures specifically dedicated to reducing and mitigating the risks of climate change in our communities,

The Framework provides a golden thread between an organisation's overarching strategy and vision, to the delivery of that vision.

THEMES – the components of an organisation's "vision" for added value

OUTCOMES – the positive changes that the organisation wants to see. In effect, what "good" looks like to that organisation

MEASURES – what objective indicators will be used to measure whether these outcomes are being met

To support the implementation of the TOM's Framework into procurement the Council has recently entered into a contract with the Social Value Portal (SPV) organisation who work with many public sector organisations to help align Themes and Outcomes from the TOM's Framework to their own key priorities.

Work is now progressing to establish the 'Derbyshire' TOM's with representatives from across the different areas of the Council taking part.

An on-line platform which integrates with the Council's current Procurement system 'ProContract' will be used to build 'sustainable procurement' requirements into the tender process giving the Council the ability to include and evaluate sustainable procurement criteria in a structured way. Benefits delivery and reporting functionality is also part of the platform and will provide evidence of achievement.

Essentially the solution will allow us to measure and manage the contribution that the Council and our supply chain makes to society. Translating this into monetary value and evidencing the impact on local communities and the environment.

Other benefits of using Social Value Portal:

- Manages sustainable procurement commitments against those that have been delivered on an ongoing basis.
- Can use Local Needs Analysis reports to target the Council's priorities for specific communities and include feedback from stakeholders.

- Provides a data audit trail and a comprehensive reporting and data downloads.
- Captures sustainable procurement data from the Council's suppliers.

3. Alternative Options Considered

3.1 Soft market testing exercise was undertaken to obtain feedback from organisations who could support sustainable procurement implementation and skills training. What we found was although there was a strong market for consultation type organisations who could provide support on policy production, there was a very limited market of organisations who could offer an implementation package of end to end support and training. We also obtained information from various other Local Authorities and established that the SVP organisation were the market leaders in supporting Local Authorities to successfully deliver sustainability procurement and added social value

4. Implications

4.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

5. Background Papers

6.1 None Identified.

6. Appendices

6.1 Appendix 1 – Implications

6.2 Appendix 2 – Sustainable Procurement Policy

6.3 Appendix 3 – PowerPoint Presentation on Sustainable Procurement

7. Recommendation(s)

That Committee:

- a) considers the Sustainable Procurement Policy and the implications contained within the policy.
- b) resolves to support the further development and implementation of the Sustainable Procurement Policy.
- c) resolves to support the use of the Social Value portal in Council procurements.

8. Reasons for Recommendation(s)

8.1 To ensure that the implications regarding development of a Sustainable Procurement Policy are understood, and that the approach and content of the Sustainable Procurement Policy that is under development is considered fit for purpose and supported by the Committee.

| | | | |
|----------------|------------------------|-----------------|--|
| Report | Stuart Etchells | Contact | Stuart.Etchells@derbyshire.gov.uk |
| Author: | | details: | |

Implications

Financial

1.1 Cost Analysis and Implications to budgets will need to be considered when sustainable solutions and innovation are applied to Procurement and contract management.

Legal

2.1 All Council procurement and contracting activities need comply with the applicable public procurement and contracting legislation and law, including the Public Contracts Regulations 2015 which prescribe processes for public contracts for goods and services above certain thresholds. The 2015 Regulations have been amended in accordance with the terms of the withdrawal of the UK from the EU by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020.

Human Resources

3.1 Training and guidance will need to be provided for staff to understand the issues involved.

Information Technology

4.1 There are no Information Technology implications associated with this report.

Equalities Impact

5.1 There are no equalities impact implications associated with this report.

Corporate objectives and priorities for change

6.1 The Policy supports the Council's ambition to be a net zero organisation by 2032, or sooner, and for the county to be net zero by 2050.

Environmental, Sustainability,

7.1 Development and implementation of this policy will improve the environmental sustainability of the Council.

Sustainable Procurement Policy

| | |
|--|---|
| What is the policy for? | This Sustainable Procurement Policy sets out how Derbyshire County Council will achieve value for money and deliver environmental, social, and economic benefits through its procurement and commissioning of goods, works, services and utilities. |
| Who does the policy affect? | The Sustainable Procurement Policy will affect: <ul style="list-style-type: none"> • All staff employed by Derbyshire County Council (DCC) • All Derbyshire County Council premises • All events held at or involving Derbyshire County Council. • Suppliers of Derbyshire County Council contracts |
| Authors | County Procurement, CCP |
| Does the policy relate to any laws? | The Public Services (Social Value) Act 2012 |
| Is this policy linked to any other Derbyshire County Council policies? | <ul style="list-style-type: none"> • Corporate Environment Policy • Derbyshire Climate and Carbon Reduction Manifesto (2019) • Climate Change Strategy: Achieving Net Zero 2021-2025 • Derbyshire Environment and Climate Change Framework • Single Use Plastic Policy |
| Other key relevant documents | <ul style="list-style-type: none"> • Council Plan 2021-2025 • Procurement Strategy 2021-2025 • Thriving Communities |

1. Sustainable Procurement Policy

1.1 Purpose

This Sustainable Procurement Policy sets out the proposals for Derbyshire County Council to achieve the best commercial outcome and value for money from our procurement activities whilst delivering environmental, social, and economic benefits.

Derbyshire County Council recognises its responsibility to carry out procurement and commissioning activities collaboratively and in an economically, environmentally, and socially responsible manner, aiming to create a long-term, sustainable vision for the county. The Council's supply chain must have a strong focus on people, the environment, and ethics within their business.

The sustainable procurement policy is designed to:

- Increase awareness of sustainable procurement principles within the Council.
- Promote the sustainable procurement policy, aims and objectives to key internal stakeholders when working on relevant procurement projects.
- Promote the sustainable procurement policy to external stakeholders and suppliers through supplier engagement.
- Embed good practice in sustainable procurement in day to day working and as part of the procurement process.
- Consider the whole life cycle impacts of the procurement and contract management.
- Assist in measuring, understanding, monitoring, and reducing negative environmental, social and economic impacts of procurement activities.
- Ensure that environmental, social, and economic impacts are appropriately considered in the assessment of value for money when setting up contracts or framework agreements.
- Eliminate and mitigate risks of potential adverse impacts
- Identify and unlock opportunities for financial and other benefits.
- Manage tendering and lotting strategies that ensure fair access to contracting opportunities for businesses of all sizes and types.
- Collaborate with other Local Authorities and organisations to improve knowledge and understanding of sustainable procurement and to seek shared opportunities and benefits.
- Promote the value of human rights, environmental rights and equality within its supply chain.

1.2 Sustainable Procurement

Sustainable procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis. This means generating benefits not only to the organisation, but

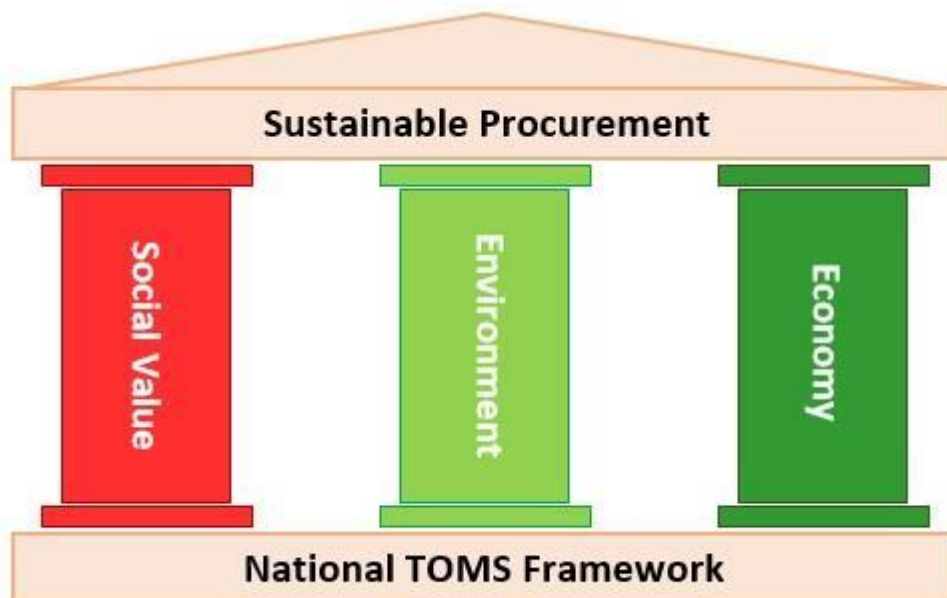
also to society and the economy, whilst minimising damage to and promoting the health of the environment.

Sustainable procurement requires the Council to work in partnership with suppliers and the supply chain to consider the whole lifecycle, environmental, social and economic impact of procured goods and services.

Sustainable procurement is not limited to environmental considerations alone (such as carbon, waste, and water). It also covers economic impacts from procurement actions, such as encouraging increased participation from SME's and supporting local skills and employment, and social impacts such as ensuring human rights, environmental rights and employment standards are always met.

The three key principles of Sustainable procurement are:

1. **Social**
2. **Environmental**
3. **Economic**



County Procurement aim to embed all three principles of sustainable procurement in the procurement process, so they become an integral part of all relevant contracts. Sustainable procurement will be included and monitored at pre-tender, tender and post-contract award stages (including monitoring and evaluation), through to the end of the life of the contract and including any disposal of equipment or handover costs for services.

To enable us to do this, we are using the National TOMs (Themes, Outcomes and Measures) Framework that has been developed by The National Social Value Taskforce (NSVTF) which operates as a subgroup of the LGA's National Advisory Group for procurement.

The National TOMs Framework is a method of reporting and measuring added value to a consistent standard and identifies specific Themes, Outcomes & Measures that relate to the different areas that sit under the banner of Sustainable procurement. We will look to compare and align this to the Council Plan to develop a 'Derbyshire' version of the framework which will ensure that we are focussing on the areas that are most relevant to the Council. This will be something that can then be used across all procurements.

1.3 Sustainability in the Procurement Process

We can support the delivery of sustainable solutions in various areas of the procurement process, primarily:

- Carrying out a sustainability assessment of the business need during the tender preparation.
- Asking relevant sustainability questions in the evaluation of supplier suitability to ensure that bidders meet sustainability legislation.
- Using Outcome Based Specifications (OBS) which focus on the desired outcome of a service, rather than using detailed technical specification of how services are to be provided; this allows bidders scope to propose innovative sustainable solutions that might not have been considered
- Asking specific, target-setting questions at the Tender stage of relevant procurements – allowing bidders to propose specific targets and delivery plans to reduce emissions, create local employment opportunities, and provide other sustainable outcomes.
- Including where appropriate specific sustainable requirements as part of the specification of a contract, where possible, for example to ensure that goods and services meet sustainable environmental standards.
- Ensuring that all sustainable requirements identified in specifications and contracts are applied to all subcontractors and throughout the supply chain.
- Reserving below threshold contracts by supplier location or for Small and Medium sized Enterprises (SMEs), Voluntary, Community and Social Enterprises (VCSEs), where appropriate. We will instigate changes in our procurement decision-making process to ensure that the potential to reserve a contract is properly considered.
- Using wherever possible life-cycle costing techniques when awarding contracts. The assessment of the sustainability impact over the life cycle of key categories will be established as regular practice, including consideration of, for example:

- Environmental/social cost of manufacturing process.
 - Cost of transportation, stockholding, packaging, and delivery.
 - Cost of training.
 - Cost of operation (e.g. cost of energy, consumables).
 - Environmental/social impacts during operation
 - Cost of repairs, maintenance, down-time, and spares.
 - Cost of decommissioning, removal, and safe disposal.
 - Environmental/social cost of final disposal and any impacts arising.
- Taking steps to improve the accessibility of the procurement process itself, allowing a diverse range of bidders to participate. For example:
 - Removing or reducing financial turnover thresholds, where financial risk is not high, to ensure small firms or start-ups are not excluded.
 - Dividing contracts into lots where appropriate so that small organisations with limited capacity can bid for part of the contract.
 - Ensuring the procurement process is accessible to bids from consortia or partnerships.
 - Carrying out supplier engagement with the market, prior to major tender exercises, to ensure local bidders understand the process.
 - Providing regular supplier communication and training events as well as working with the Chamber of Commerce and Federation of Small Businesses.
 - We will work closely with key suppliers and those that pose a high risk of environmental impact to ensure that they are compliant with relevant legal and ethical responsibilities with consideration on the three key themes (environmental, social, and economic).

1.4 Key Focus

The key topics on which our sustainable procurement approach is focused, and their alignment across the three overall themes, are summarised in the following table:

| Topic Area | Theme | | |
|---|--------|----------|---------------|
| | Social | Economic | Environmental |
| Reducing greenhouse gas emissions to net zero carbon by 2032, or sooner | ✓ | ✓ | ✓ |
| Enhancing resilience and adaptation to climate change impacts | ✓ | ✓ | ✓ |
| Using water efficiently in the Council's buildings and operations | | ✓ | ✓ |

| | | | |
|---|---|---|---|
| Waste reduction, re-use and recycling, including the Circular Economy | ✓ | ✓ | ✓ |
| Protecting and enhancing the natural and built environment | ✓ | | ✓ |
| Equality, diversity and employee well-being | ✓ | | |
| Ethical supply | ✓ | ✓ | ✓ |
| Local goods and produce | ✓ | ✓ | ✓ |
| Regeneration | ✓ | ✓ | ✓ |
| Supporting SMEs, Third Sector, Social Enterprise and local business | ✓ | ✓ | |
| Timber and other sustainable materials | | ✓ | ✓ |
| Training, education & employment | ✓ | ✓ | |
| Engaging stakeholders & raising awareness | ✓ | ✓ | |

Specific Policy Commitments

When addressing the Key Focus areas above the Council makes the following commitments:

Reducing greenhouse gas emissions to net zero carbon by 2032, or sooner

We will:

- Build a requirement for CO₂e (Carbon Dioxide Equivalent including CO₂ and other greenhouse gases) reduction into the specification of certain contracts, where appropriate. This should include steps to reduce the CO₂ emissions of their business activities as well as in the goods and services that they provide.
- Ask suppliers to set ambitious targets for CO₂e reduction throughout the life of relevant contracts and set out clear ways for measuring and reporting these impacts.

Enhancing resilience and adaptation to climate change impacts

We will:

- Ask suppliers to take steps to ensure the goods and services that they provide do not increase the Council's or county's vulnerability to the negative impacts of climate change.

- Encourage suppliers to take steps to understand the likely long-term implications of climate change on their supply chain, and to consider taking steps to mitigate or adapt for such effects.

Using water efficiently in the Council's buildings and operations

We will:

- Assess the risk of water pollution in specific contracts, with focus on water use, waste water and what is discharged into the water system.
- Encourage suppliers to take steps to control and reduce water usage, and to prevent or mitigate harmful discharges into the water system.

Waste reduction, re-use and recycling, including the Circular Economy

We will:

- Seek to minimise and eliminate the use of Single Use Plastics (SUP)
- Seek to reduce the impact of goods, services, and works through waste minimisation including packaging waste, construction waste, the disposal of any consumables, and the disposal of assets at end of life.
- Encourage suppliers to take action to reduce waste and promote re-use, remanufacture and recycling at every level of the supply chain.
- Consider opportunities for reduced or more efficient use of resources, especially when preparing to re-tender for existing contracts and set out specific requirements in contracts with a potentially high waste impact.
- Engage with appropriate sources of expertise to identify emerging technologies and new approaches which can further reduce waste.

Protecting and enhancing the natural and built environment

We will:

- Consider the Council's duty to protect, conserve and enhance the environment, habitats, biodiversity, and heritage when scoping and procuring contracts.
- Encourage suppliers to formally adopt the same environmental targets that the Council has set itself, and encourage suppliers to deliver them by the same deadline dates.
- Encourage suppliers to consider the biodiversity impacts of their operations, and those of their supply chain, and to take steps to prevent or mitigate any negative impacts.

- Encourage suppliers to consider the impact of their operations on land use, and to take steps to ensure efficient and responsible land use throughout their supply chain.
- Encourage suppliers to consider the impact of their operations on air and water, and to take steps to ensure good stewardship of these throughout their supply chain.

Equality, diversity, and employee well-being

We will:

- Encourage suppliers to be aware of, and to tackle, equalities issues in the industries and market sectors in which they operate.
- Encourage suppliers to consider accessibility in the workplace for the benefit of both employees, service users and visitors, and to make accessibility arrangements a specific requirement of relevant contracts.
- Recognise the benefits of workforce volunteering in providing well-being to both employees in our supply chain, and to the communities and environments they live and work in.
- Encourage suppliers to consider how, in other ways, they can look after the health and wellbeing of their workforce.

Ethical supply

We will:

- Promote the sourcing of fair-trade alternatives where these are available – both in terms of goods supplied to the Council and in our suppliers' own purchasing.
- Encourage suppliers who source products, raw materials or labour from overseas, especially in the developing world, to be aware of the impact of these sourcing decisions and to mitigate any negative impacts.
- Identify, prevent and mitigate modern slavery in the supply chain.

Local goods and produce

We will:

- Recognise the importance of sourcing local goods and produce, where possible, taking account of the complexities of local sourcing - noting that locally-based

suppliers may not always source products locally, whereas non-local firms may sometimes be able to offer us locally-made goods.

- When letting major supply contracts, consider opportunities for local primary producers to be included in the supply chain.

Regeneration

We will:

- Encourage suppliers to support economic regeneration initiatives in the communities in which they operate.
- Encourage suppliers to support socially beneficial cultural and heritage projects in the communities in which they operate.

Supporting SMEs, Third Sector, Social Enterprise and local business

We will:

- Take steps to ensure our procurement process is as accessible as possible to SME bidders, local third sector organisations and social enterprises by identifying and removing barriers to participation and by recognising alternative bidding models, including partnership and consortium bids.
- Encourage suppliers to support a sustainable local economy – wherever they operate.
- Support suppliers in identifying local supply chain and sub-contracting partners.
- Encourage suppliers to take steps to make supply chain opportunities accessible to local organisations, including SMEs, third sector organisations and social enterprises.
- Provide regular engagement and information sessions to ensure local SMEs, third sector organisations and social enterprises understand the procurement process, and to receive their feedback.

Timber and other sustainable materials

We will:

- Minimise the amount of timber and paper products used by the Council.
- Where possible ensure that all timber and paper products purchased by the Council are recycled, or sourced from sustainable forests, with a clear chain of custody.

- Encourage suppliers of timber and paper products to source sustainably at all points of their supply chain and to provide evidence proving the sustainability of their products.
- Monitor issues of material scarcity, with particular regard to negative environmental impacts from the over-extraction of materials from under-pressure environments.
- Encourage suppliers to seek sustainable alternatives to materials which are scarce or at risk of becoming so.

Training, education & employment

We will:

- Encourage suppliers to support employment opportunities for people from disadvantaged categories – such as those not in education, employment or training (NEET), long term unemployed, people with physical disabilities, learning disabilities or mental health problems, ex-offenders, and ex-armed forces personnel.
- Evaluate potential suppliers' capacity to deliver targeted recruitment and training
- Support suppliers in identifying relevant sources of support to assist in meeting the training and employment needs of target groups.

Engaging stakeholders & raising awareness

We will:

- Encourage suppliers to communicate with their supply chain, their customers, and the communities in which they operate, to raise awareness of the importance of doing business sustainably.
- Consult with service users and other client-side stakeholders, when procuring major contracts for social and community services, to clearly define their needs and to design and establish methods to meet these needs in a sustainable manner

1.5 Sustainable Buying Standards

To help implement the Sustainable Policy commitments outlined above, and to ensure the goods and services the Council procures, and commissions meet acceptable environmental and social standards the Council will endeavour to meet the minimum mandatory [Government Buying Standards \(GBS\)](#).

The GBS are part of public procurement policy, with individual standards developed with input from across government, industry and wider stakeholders. The standards

have been extensively reviewed with market research and analysis to establish criteria that take long-term cost effectiveness and market capacity into account.

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2 Sustainable Procurement Road Map 2022-23 – Targets and Achievement

| Target | Timeframe to review | Achieved |
|--|---------------------|----------|
| Approval and Sign off of the Sustainable Procurement Policy. | March/April 2022 | |
| Release a Sustainable Procurement Bulletin to promote the new policy and procurement success stories. | March 2022 | |
| Engage with Social Value Portal in order to access their end-to-end support with a small number of pilot projects. Requirements for any ongoing support to be evaluated following pilot stage. | December 2022 | |
| Develop the “Derbyshire” TOMs Framework | March 2022 | |
| Develop a sustainability assessment tool to be used with all procurements identifying sustainability criteria to be considered in the procurement process (e.g. the SUP Policy) | June 2022 | |
| Develop and Issue guidance on PPN 11/20 Reserving below threshold procurements by supplier location or for Small and Medium sized Enterprises (SMEs), Voluntary, Community and Social Enterprises (VCSEs). | June 2022 | |
| Review of financial turnover thresholds and financial vetting procedure, where financial risk is not high, to ensure small firms or start-ups are not excluded. | June 2022 | |
| Review of the Councils Tender documentation and processes to ensure compliance with current Public Procurement Regulations 2015 as well as accessibility to SMEs and VCSEs. | September 2022 | |

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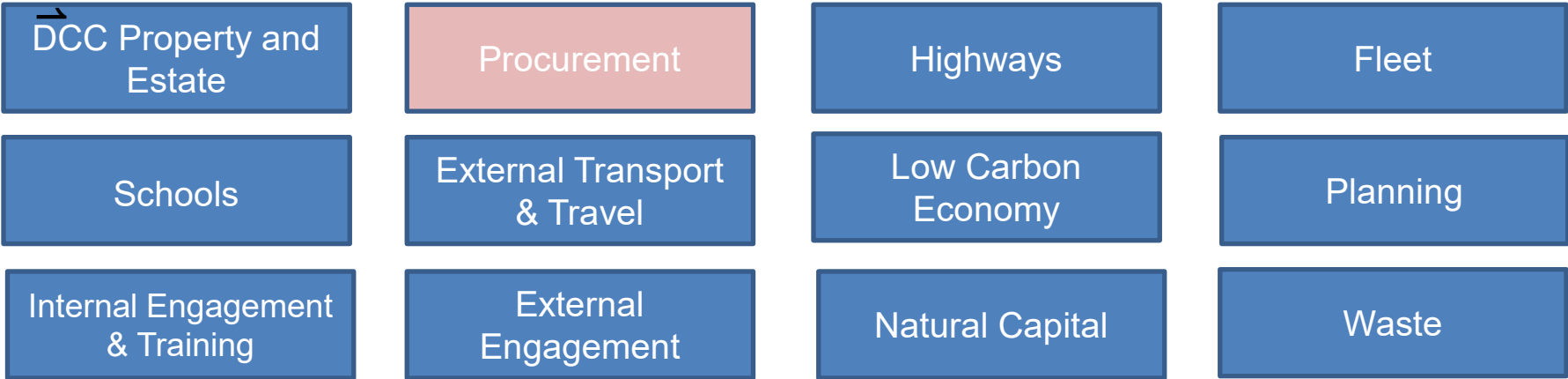
Sustainable Procurement

Improvement and Scrutiny Committee

Climate Change, Biodiversity and Carbon Reduction

Derbyshire County Council Climate Change Strategy: Achieving Net Zero (2021-2025)

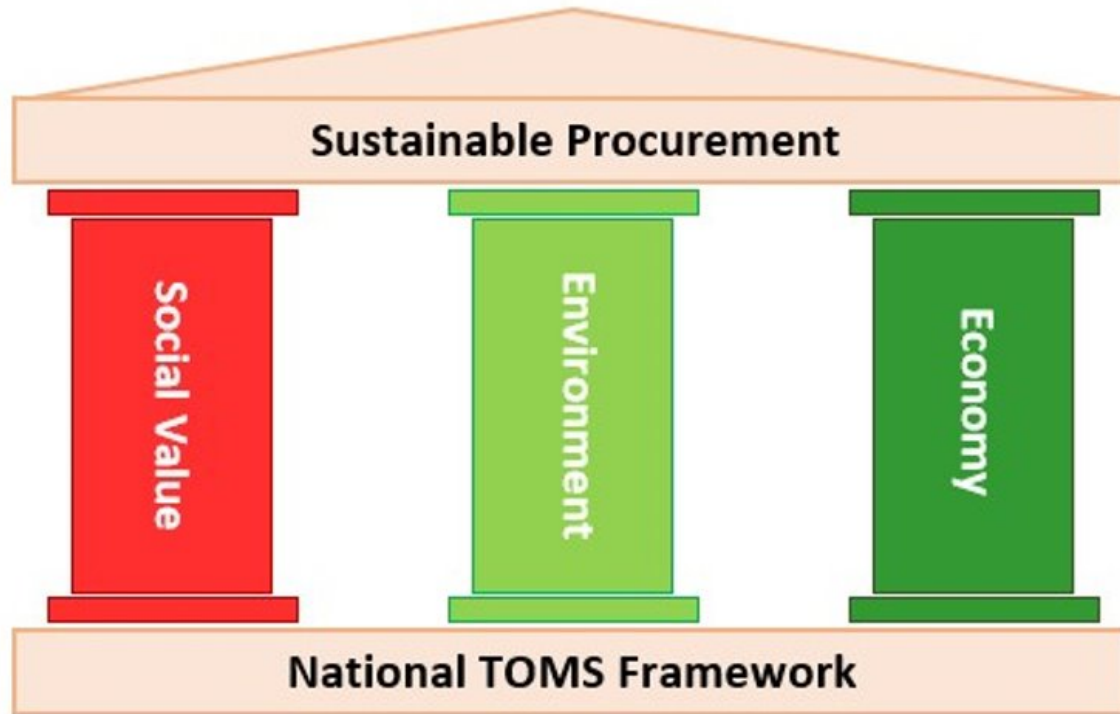
- Strategy approved by Cabinet on 14 October 2021
- Sets out what the Council will do to tackle emissions and achieve net zero targets.
- 32 priority actions, supported by over 120 supplementary actions, initiatives and projects, which the Council will either lead or support.
- Twelve Themes established to develop, implement, manage and monitor delivery plans.



Priority Actions Within the Strategy – Procurement

1. Develop a Sustainable Procurement Framework using the UK government's green procurement guidance to embed environmental requirements and Social Value into all contracts.
2. Review the commissioning principles across all teams to ensure that climate change is embedded across our services and partner working.

What is Sustainable Procurement?



Purpose of the Sustainable Procurement Policy

Increase
Awareness

Promotion

Good
Practice

Collaboration

Opportunities

Sustainability in the Procurement Process



Sustainability Assessment



Outcome Based Specifications



Target Setting Questions



Reserving Below Threshold Contracts



Life Cycle Costing



Accessibility of the Procurement Process

Key Focus Areas

Net Zero Carbon

Resilience and
Adaptation to
Climate Change

Using Water
Efficiently

Waste

Natural and Built
Environment

Equality and
Diversity

Ethical Supply

Local Goods and
Produce

Regeneration

Supporting SMEs,
Third Sector, Social
Enterprise and
Local Business

Sustainable
Materials

Training and
Education

Stakeholders and
Awareness

Social Value Portal

Social Value Portal is
the market leader in
Social Value
Measurement and
Reporting.



MEASUREMENT



PROCUREMENT



CONTRACT
MANAGEMENT



REPORTING

TOMs Examples

Theme

- Environment – Decarbonising and Safeguarding our World

Outcome

- Reduced Carbon Emissions

Measures

- Reduced CO₂e

Units

- tCO₂e

Value

- £64.66/tCO₂e

Award Criteria

Page 42 of 11

| | | |
|----------------|--------------|-------------|
| Quality | 45% | |
| Price | 45% | |
| Sustainability | 10% | |
| | Quantitative | Qualitative |
| | 5% | 5% |
| Total | 100% | |

Next Steps

- Identify Trial Procurements from Department Forward Plans
- Develop the Derbyshire TOMs
- Train staff on the New System and Evaluation methods

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