



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

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

MONDAY, 3 JULY 2023

Report of the Director - Finance and ICT

Sustainable Procurement

1. Purpose

The Purpose of this report is to provide an update on the implementation and impact of the Council's new sustainable procurement policy and the use of the Social Value Portal.

2. Information and Analysis

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.

The Council's Sustainable Procurement Policy was approved by Cabinet on 16 June 2022 (Minute No. 116/22 refers).

The Policy delivery plan committed to undertaking 12 pilot projects during the first year, during which we would partner with The Social Value Portal organisation to support implementation.

Currently 8 procurement projects have been trialled with 3 of the projects progressing to contract award. The 3 projects:

- Supply of Disposable Gloves
- Road Marking, Studding Works, and High Friction Surface Treatment
- Supply of Traffic Management

have a total initial contract value of £4,439,103 with committed social and local economic value (SLEV) of £1,585,533 equating to 35.7% committed SLEV.

Appendix 2 gives both a detailed breakdown of the total commitments from the 3 awarded social value portal pilot projects and a breakdown of the commitments per each individual project.

One of the key criteria identified in the Sustainable Procurement policy is to drive sustainability through our procurements and to begin getting the Councils supply chain to commit to sustainable goals and measures. County Procurement have developed a sustainable requirements for tenders document (Appendix 3). The document will be used as a support tool for employees to identify sustainable requirements suitable for the project they are undertaking.

The Sustainable Procurement Policy has been promoted and is available to employees via the 'Our Derbyshire' intranet pages. County Procurement recently attended the Journey to Net Zero Employee Open Day to present an update to staff on sustainable procurement progress.

As a result of the Sustainable Procurement Policy, County procurement are currently reviewing the Councils provider selection questionnaire to ensure all requirements align to the Councils strategy and policies. A wider review of procurement documentation is under way with a view to reducing documentation where possible and reducing the documentation burden on suppliers. As part of this review County Procurement are working with its tendering portal provider, Procontract, to ensure where possible online versions of documentation are available, and information is saved and stored to reduce duplication for suppliers.

3. Implications

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

4. Background Papers

4.1 None Identified.

5. Appendices

5.1 Appendix 1 – Implications

5.2 Appendix 2 – Social Value Portal Commitments

5.3 Appendix 3 – Sustainable Requirements for Tenders

6. Recommendation(s)

That Committee:

- a) Notes the update provided on the implementation and impact of the Council's new sustainable procurement policy and the use of the Social Value Portal.

7. Reasons for Recommendation(s)

7.1 To ensure that the progress made regarding implementation of the Council's new sustainable procurement policy and the use of the Social Value Portal is understood by the committee.

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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 There are no Human Resources implications associated with this report.

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 and Sustainability,

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