

***Developing sustainable procurement
as a shared priority - vision to reality***

Final report

From the 30th March 2004 workshop

organised by

IDeA

in partnership with the

Sustainable Development Commission

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Introduction

This report summarises the findings of an initiative led by the Local Sustainability Team (LSt) at IDeA to explore the potential for developing 'a shared sustainable development priority', at the central-local level. It was agreed by the Local Sustainability Advisory Board (LSAB) that the focus of this should be 'sustainable procurement'. This is also regarded as a topic of considerable interest by the Sustainable Development Commission (SDC). *Global to Local Ltd* was commissioned on behalf of IDeA and SDC to take this work forward. Working in partnership with the SDC, IDeA developed a programme for an interactive workshop held on 30 March 2004. This involved a selected audience of those who have an interest in, or can contribute to, the promotion of sustainable procurement within the public sector. This included, professionals from central government departments, agencies, Defra, Dti, DH, Government Offices and bodies, local government, academia, NGOs and training professionals, from England and Wales. ODPM expressed an early interest in being kept informed with a view to considering the outcomes along with others.

The debate was led by procurement professionals from the Office of Government Commerce (OGC) and IDeA's own team of procurement consultants. An international perspective was invited from the US. This was in the form of a presentation by Dr Kevin Lyons, Director of Procurement for Rutgers, The State University of New Jersey. This presentation provided compelling evidence of how the *vision* of sustainable procurement, can and has been, translated into cost effective and community enhancing *reality* through the high-level, long-standing commitment of the university.

The context for this particular seminar was stimulated by the:

- launch of the National Procurement Strategy for Local Government (ODPM and LGA October 2003) which has targets for sustainable development to be imbedded throughout the whole procurement process;
- Government's review of the UK Sustainable Development Strategy (UKSDS), a process formally launched this spring, to continue throughout summer 2004.
- The Local Government Association (LGA) paper to the SD Task Force in February 2004. This features the proposal to develop the scope of sustainable procurement as a shared priority;
- Government's Spending Review 2004 (SR2004) and the practical implications of the Efficiency (*Gershon*) Review, within which procurement plays a major role.

For all these reasons, great interest was shown among professionals to attend this event. A positioning paper was drafted and circulated in advance to all participants setting out the context and the purpose of the event.

Broadly the objectives were to:

- Raise consciousness of the power of procurement as an important driver of relevance to the UK Sustainable Development Strategy;
- Understand how adopting a SD approach can deliver efficiencies and cost savings, and community – social and environmental benefits - well into the long-term;
- Provide clarity about the actual, and potential, links between agencies and Government departments for progressing the sustainability agenda within procurement;
- Increase awareness of training and support needs and who might or could deliver;
- Outline parameters for sustainable procurement action plan which organisations might choose to work on collectively over the coming months (for the next 18 months);
- Result in a workshop report with recommendations for further actions.

This report represents a summary of this work.

Executive Summary

This report sets out significant advantages that adoption of a sustainable development approach to procurement can deliver. These are beneficial outcomes across the Government's economic, social and environmental policy objectives, combined with real (sustained) cost, efficiency savings and effectiveness in the public sector. The perspectives in this paper are drawn from a number of public sector organisations convened by the IDeA at a seminar held on 30 March 2004 in London organised in partnership with the Sustainable Development Commission (SDC). This report builds on an earlier positioning paper and has been further guided by the Office of Government Commerce (OGC) and other key players such as the Chartered Institute of Purchasing and Supply (CIPS) who were unable to attend. A list of attendees and summary of the workshop are attached (*Appendix I and II*).

The purpose of the session on 30 March was to discuss and develop practical suggestions on how sustainable procurement might be developed as a 'shared', inter organisational priority but in a way that directly, and positively, contributes to the broad objectives of the Efficiency (Gershon) Review. This review, led by Sir Peter Gershon, was commissioned by the Prime Minister and Chancellor, forms part of the Spending Review 2004. It sets out a challenge to make a 2.5% reduction in costs of the estimated £120 billion spent each year by the public sector. This could represent as much as a cost reduction of 25% for some commodity areas. Procurement, 'commodity goods and services', 'construction and property' are key areas. Aggregation of supply – within and across the public sector, by the rationalisation of suppliers, and by the creation larger contracts at national and regional level, through new consortia - is one way that Government expects to 'shape the market' and through which it will 'require' these efficiencies to be delivered. However, aggregation of demand i.e. creating a collective understanding of the totality of public sector spend in a particular market, does not necessarily lead to aggregation of supply. Indeed it might create a informed basis for effective regional and local procurement.

In addition, the new, nine, Regional Centres of Procurement Excellence, in England, announced by ODPM and the Local Government Association (LGA) in February this year, are charged to lead the facilitation and development in procurement capacity within each region by supporting local government in greater partnering (working and delivering with and through the private sector) and collaborative (working with parts of the other public sector) activity.

Compelling evidence from the US on transformational change and innovation that delivers the kind of savings - to which the Efficiency Review aspires – was presented by Dr Kevin Lyons, Director of Procurement, at Rutgers, the State University of New Jersey (*Appendix III*). Through a robust Environmentally Preferable Purchasing Programme (EPP) this institution - with a staff and population of 60,000, 850+ buildings, and an annual budget of \$350 million per year (excluding construction and renovation), has created year on year annual savings of \$2.5 million since 1990, and waste reduction targets approaching 60%. This has involved applications of whole-life costing within E-procurement, local supply development with SMEs, reduced insurance risk liability, new eco-products and services, energy alternatives and conservation, resource tracking 'buyer' footprints, and active engagement with and stimulation of, local enterprise to mention just some of the initiatives.

The seminar also elicited further vibrant and innovative examples of what is being achieved in the UK through the use of sustainable procurement tools, techniques, methods of supplier engagement, partnering and collaboration (*Appendix IV*). The consensus was that all of this should be shared more widely and that general capacity could be enhanced through greater cross-sectoral and cross-professional joint practitioner working. The debate also raised a number of issues, both concerns and opportunities, from all quarters, central, regional and local perspectives. These have been prioritised below within a suggested framework for further action. A genuine enthusiasm for further practical engagement was demonstrated by representatives at the seminar. This momentum, if organisationally championed on a collective basis, steered by for example by OGC

with IDeA, Defra, ODPM and supported by the SDC and other partners, could provide real added value to help achieve the wider Efficiency (Gershon) Review objectives and lasting community benefits/outcomes for sustainable development. This will deliver cost savings in the public purse well into the long term. This report sets out the messages and the principal opportunities for future action. It recommends that these opportunities are formally considered within the UKSD Strategy Review process and by the Central-Local Partnership.

Key messages from the seminar

Understanding and responding to the Efficiency (*Gershon*) Review

The Efficiency Review is about procurement, in a very strategic sense, and how all those in the public sector can better manage the conduct of their services more efficiently and effectively. It is about reducing waste and delivering services to citizens. There has been very little in the public domain on the character and proposals emerging from the Review until recently. Understandably, there is a high degree of sensitivity across all Government Departments and agencies on how it might affect them, particularly with regard to cutbacks in jobs, and likely relocation of key functions out of Whitehall. Ministerial announcements on the Spending Review 2004 were made in early July featuring the next stages of the Review's implementation, *Releasing resources to the front line – Independent Review of Public Sector Efficiency* by Sir Peter Gershon, published by the HM Treasury. (www.hm-treasury.gov.uk/media/879E2/efficiency_review120704.pdf)

What does the Efficiency Review cover?

The Review identified proposals which will deliver £20 billion of efficiency in the public sector by 2007-08 which will either directly increase the output of public services, or will free up resources which can be recycled into front line delivery. Broadly the areas where savings could be made in the public sector are as follows: Transaction services; Procurement, 'commodity goods and services', 'construction and property'; Back Office Services; Productive time; Policy funding and regulation. Without question, this *Gershon* Review (there has been a forerunner):

- is an all-absorbing dominant current issue that is gearing the future scope of plans and delivery programmes of the public sector – including the regulatory and inspection bodies - at all levels;
- has a very strong emphasis on regional gearing and capacity and national level contracting frameworks;
- has significant implications – potential pitfalls and opportunities - for the ease and scope within which current and future SD initiatives may be pursued particularly at the local level.

The target is to deliver the efficiency gains through a 2.5% a year efficiency target for the whole of the public sector.

'Aggregation of demand' does not mean 'aggregation of supply'

Aggregation of supply – within and across the public sector, by the **rationalisation of suppliers**, and by **the creation larger contracts at national and regional level**, through new *consortia* - is one way that Government expects to 'shape the market' and through which it will 'require' these efficiencies to be delivered. There will be a mix of national, regional and local contracts which sectors and organisations to use in order to deliver 'best value for money (VfM)'. It will mean more co-ordinated and more cross-sector procurement of commodities. It will be a move away from one-off contracts, which traditionally have been set up and renewed for ease of effort and that have not been market tested to see if other delivery solutions can be stimulated; so-called 'market creating and shaping'.

While BV and VfM include quality and longevity aspects of procurement, there is a concern that the drive for cost reduction may not encompass the SD principles of reuse, reconstitution and carbon neutral aspects of SD, nor the role of local enterprise and low travel lengths in generating goods and services. In addition, the need to encourage local SMEs is not always included in the BV indicators. Yet such initiatives can create jobs for those otherwise not in work and training for those in need of improved skills for supplying and reconstituting goods.

Influencing the terms of reference of the 'Change Agents'

The OGC has a key responsibility to deliver the Efficiency Review outcomes. The exact structure and nomenclature and organisational detail is still being worked out but there is a common thread of this concept of 'a change agent'. OGC will orchestrate and help put in place organisational/sectoral teams to act as 'change agents' for commodity markets (eg. IT outsourcing, property and financial management, emergency services, social housing, health, environmental services, and professional services). For example in terms of the NHS, NHS Purchasing and Supply Agency (PASA) set up in April 2000, it is mooted, could be 'moulded' to into a change agent for certain commodities.

Using data drawn from the discussion at the seminar largely from NHS PASA, supplemented by follow-up interviews, an example has been developed below (in Box A) to show what and how the Efficiency Review might impact. This flags up what some of the opportunities or pitfalls could be for delivering SD. A conclusion from the seminar was the importance of having an *informed change agent, sensitive to SD opportunities*. It therefore becomes vital to ensure that sustainable development principles and approaches become embedded within the *terms of reference* of the 'change agents'.

Box A:

Possible sustainable development impacts of the Efficiency Review

Developed from data from 30 March 2004 session and also from Port Cullis House, Westminster at a seminar on public procurement

NHS PASA has contract values in 2003/04 of £4.25 billion*, and has through national purchasing, made savings of £410 million. It works through approximately 3000 contract and 1,500 suppliers. It has well established e-business:

- o web-based catalogue *NHS ecat*; once only supplier approval – *NHS sid*, web-based contract information *NHS cis*, coding and classification standard *NHS e-Class*, bar coding for traceability, e-tendering to reduce bureaucracy and e-auctions for on-line purchasing.

It is pursuing a diverse base of initiatives working on Department of Health priorities: sustainable development, health inequalities, increasing competition, innovation. It is involved with the Health Industry Task Force. Through the DoH Commercial Directorate, it is working on supply chain improvements programme, national sourcing for accelerated savings and has set up collaborative hubs enabling **regional purchasing**. This has been key in **food procurement** to enable fresh, nutritious ingredients to be sourced that gives regional and local suppliers an opportunity to bid and take part in contracts.

The principle could apply to other commodities eg. textiles for NHS (bedding linen, staff uniforms) An example cited by the East Midlands Government Office of the Regions: Leicester is one of the centres of the textile industries in the UIK with lots of small SMEs and a high percentage ethnic minorities groupings within this.

Work with the local NHS Trust revealed that the local medical centres and hospitals only procured about 5% of textiles from the local, Nottingham area. The GO working with Employment and Skills sector 'sensed' that the SMEs found it impossible to fathom how to do business with the NHS and consequentially have been put off. Now, through a special meeting with SMEs led by the GO, dialogue has opened up for local SMEs to develop understanding and competence in submitting tenders for prospective NHS business.

Similar '**meet the buyer**' events have been set up with NHS catering supplier managers to help further the opportunities for local suppliers who can offer nutritious, fresh food, to stand a better chance of bidding for food contracts. When it comes to **IT equipment**, for example, it may be that national level contracts – if the specifications are robust enough - that a better deal for SD outcomes can be achieved. For example no NHS Trusts have been able to get the ITC *Dell* supplier to take place and recycle goods, yet in the US this is common practice. If aggregated at a national level contract, with the key environmental requirement for this to be done, then *Dell* UK operations will probably change their practice. **Energy** contracts, targets for **renewables** and **Combined Heat & Power (CHP)** could be helpfully framed within the future, bigger national and regional and consortia contracts.

*Quoted by NHS-PASA Chief Executive, Duncan Eaton, 12 May 2004

Gearing 'the right' capacity at the Regional Level

Capacity to help deliver the Efficiency Review objectives is to be provided via, the new, nine, *Regional Centres of Procurement Excellence (CoE)*, in England, announced by ODPM and the Local Government Association (LGA) in February 2004. These are charged to lead the facilitation and development in procurement capacity within each region by supporting local government in greater '**partnering**' (working and delivering with and through the private sector) and '**collaboration**' (working with parts of the other public sector) activity. In Wales there is a separate Welsh Procurement Initiative (WPI) managed by the Welsh Local Government Association that links to WAG initiatives on procurement which serves as a CoE in its own right, and includes a *Sustainable Procurement Pathfinder Project*.

A clearly defined hub and network of advice, designed to support procurement professionals – at all levels - to promote and to facilitate the development of SME supplier networks, was identified. This is so that 'second and third tiering' activity - that nest SMEs collaboratively – within the potentially very vast, national or regional framework contracts, is supported. There was concern about what local capacity there is to undertake this kind of supplier engagement at the local level. A clear example frequently cited was food procurement, where it makes sense that regional and local food suppliers often can offer the best quality in terms of freshness and nutritional value.

Greater (face-to-face) interactive practitioner guidance was acknowledged as important to ensure that the sustainable development 'know-how' – locally and regionally available – can be tapped and networked into the CoE. A means of delivering this is by creating opportunities for joint, mixed professional workshop sessions, to bring together sectors and individuals who have sustainable development expertise with those who have procurement and also legal expertise. This would help to share and extend the practical know-how being development through the diverse range of sustainable procurement initiatives currently underway, an outline sample of which were summarised (in Appendix IV) as a result of the 30 March seminar.

CIPS was identified as a key player in how it might extend and refine the range of short term training and conference programmes, and the long-term professional training programmes it offers, to accommodate these issues. CIPS recently appointed in April this year a new head of education and development who is tasked with undertaking a radical review of the qualification framework – the ladder and level of qualification - over the next 12-18 months. Within this the range and content relevant to the public sector will be considered and there has been early indication from CIPS that it is interested to engage with other stakeholders to assess what would be an appropriate response to accommodate the SD agenda.

The development of the Regional Centres of Procurement Excellence will have a key role in supporting the transition and delivery of Efficiency Review (Gershon) objectives. What is not yet clear, is how far these Centres will actively influence the regional and local government capacity to advance sustainable development. CIPS and other associations are key stakeholders that should be also encouraged to take the sustainable procurement agenda forward, again by being asked to adopt SD principles in their guidelines and training programmes.

The importance of 'whole life costing' and links to the public health agenda

Public health and recent concerns over obesity, especially in the younger generations, is gaining greater public and political attention. The recent publication of the Select Committee on Health MP's report sets out the complex, but collective, nature of what needs to be done to ensure that the long-term well being of the population is served. It points out that taking longer term, integrated, preventative action is essential if the escalating costs to the public purse envisaged in providing the projected range and level of remedial health care treatment, are to be curbed.

Public health is vital for the buoyancy and vibrancy of the economy and people's livelihoods. Therefore accrediting actions and initiatives that will deliver these important longer term outcomes need to be factored into the spending plans and activities of organisations across the public sector in a holistic manner. The future enhanced role that Social Enterprise (including schemes that offer opportunities for unemployed, unskilled, disadvantaged people and those with learning difficulties) and Community Interest Companies (CICs), for example, offer as effective procurement solutions, was felt to merit greater attention. There was concern expressed that just focusing on measures that deliver short-term efficiencies – without taking stock of social and environmental public policy objectives, will fall well short of taking the appropriate solutions that will deliver positive long-term outcomes and genuine savings.

Linked to these issues, the importance of the audit and inspection bodies of the public sector - Audit Commission, CHIA (now the Health Care Commission), Ofsted, etc - was recognised. The need to develop appropriate metrics (diagnostics and indicators) for guiding and judging performance that contribute to long-term outcomes and the key role that procurement plays with in this seems as yet, unexplored within public sector management and assessment frameworks. The development of guidance on whole life costing and how to make it easy and quick to apply, was identified as a key future area of interest by OGC. The Audit Commission is reviewing the Comprehensive Performance Assessment (CPA) for local authorities and therefore should be encouraged to consider these issues.

Elevating the role of procurement within the UK Sustainable Development Strategy

Building on *A better quality of life - A Strategy for Sustainable Development for the UK*, published in 1999 (DETR), Government wishes to establish a UK strategic framework for sustainable development, to 2020. Defra co-ordinated a joint ministerial launch of the UK SD review process, with the publication of *Taking it on; developing UK sustainable development strategy together* (Defra, 2004) recently, in April. Four priority areas are proposed for a UK focus for action:

- Climate change and energy;
- Sustainable consumption, production and use of natural resources;
- Environmental and social justice;
- Helping communities to help themselves.

In order to make progress in these key areas, it is further proposed that action is taken to:

- Help change behaviour;
- Take forward sustainable development internationally and in Europe;
- Get the structures and tools right so that we have the institutional capacity and leadership in the UK from the national to the local level, and;
- Increase the business contribution to achieving sustainable development.

It is expected that all government departments will, too, play their role in developing and taking the SD strategy forward. There are clear requirements and targets for central government departments set out in the *Framework for Sustainable Development on the Government Estate* which help to demonstrate leadership by example to other parts of the public sector including local government. The role of procurement, and specifically the leadership role of good public sector procurement – that embraces sustainable development – should be emphasised and considered within the revised SD strategy and connected and integrated across in other core government strategies. In particular, the following issues ought to be considered:

- *The Sustainable Communities Agenda* - The fast evolving 'sustainable communities' agenda, led by ODPM is proving to be a powerful branding through which SD activity is to be geared across the public sector particularly within the central bodies (LGA, IDeA etc) and local government. This agenda builds from the Sustainable Communities Plan (ODPM,

2003 *Sustainable Communities: building for the Future*), detailing the new growth development areas in England.

- *The ten year strategy on the future of local government* - Within ODPM the *Modernising and Efficiency Team* – known as the ‘Met’, has been formed out of the *Strategic Partnering Task Force*. Their Business Plan 2004-2007 gives an indication of how the Efficiency Review is likely to unfold and impact at the local level. It was recently announced through the Central-Local Partnership, that SD issues should be integrated into the development of this strategy on the future of local government.
- *The civil renewal agenda* - This agenda, led by the Home Office, is about building community capacity for better community cohesion and broader civic engagement. It is about empowering communities to achieve their potential and respective contribution to civic rights and responsibilities. Here the procurement connections are essential to understand the diversity and scope of how communities - formally or informally, professionally or voluntarily – may choose to contribute to community well-being and the local economy, through a range of activities that can be offered as a supplement, or alternative, to public service delivery solutions.
- *The modernisation agenda* - The Government is considering how best to link the modernisation of the public sector to SD principles and practices. Procurement offers a huge opportunity to connect the two. It sweeps across many public services, at all levels of society and economy. It includes health, education, local government, energy, buildings generally, and private finance initiatives (PFIs) across the board. There is a golden opportunity to embrace the act of procurement with fresh thinking about the purpose of improving ‘prosperity’ and ‘contentment’ for all citizens, for establishing a mutually responsible society, active in creating its own health and community welfare, and in addressing the patterns and purposes of consumption and waste renewal. Such matters are central to the effectiveness of any future SD strategy and should be integral to the advance of sustainable procurement.

Conclusions

There are clearly opportunities for the 'sustainable development' and 'procurement agendas' to be integrated so that greater efficiencies and lasting economic, social and environmental benefits can be realised. There are a number of relatively new and uncharted issues that could helpfully be tackled over the coming months to help this transition. These have been discussed above:

- **Understanding and responding to the Efficiency (*Gershon*) Review**
- **'Aggregation of demand' does not mean 'aggregation of supply'**
- **Influencing the terms of reference of the 'Change Agents'**
- ***Gearing 'the right' capacity at the Regional Level***
- ***The importance of whole life costing and links to the public health agenda***
- ***Elevating the role of procurement within the UK Sustainable Development Strategy***

Linked to these issues, commonly voiced concerns over the prospective reconfiguration of procurement protocols that will mean, for certain commodities, organisations will be obliged to use, voiced at the seminar are framed in the following questions below:

1. *How robust will the specification criteria be for ensuring that sustainable development outcomes are factored in as quality issues and life cycle perspectives within the range of framework agreements?*
2. *Will, for example, the standards reflected in the OGC-Defra Guidance "Quick Wins" and other evolving targets featured in the Framework for Sustainable Development on the Government Estate be rigorously used to benchmark minimum standards of delivery?*
3. *Has the impact of supplier rationalisation, giving a preferential focus on the larger suppliers and contractors, been fully calculated on the SME community i.e. the high risk of ending contracts with SMEs that are very dependent on such public sector contracts? At the local level, for local authorities and LSP partners, how will social and regeneration objectives linked to public health outcomes, key to many Community Strategies, be accredited in 'Gershon' Efficiency terms, when they only become evident over the longer term?*
4. *If aggregation of supply (gearing the work for a monopoly of just a few large contractors) is not deemed as the way forward – but the resolution is to build second and third tier supplier networks – within the larger national or regional frameworks – who will have the resource, time, expertise and mandate to do this and ensure that this works effectively?*

Specific proposals for further consideration

- IDeA have produced good guidance on sustainable procurement but it is felt that more resource needs to be directed to supporting councils in embedding that practice and owning the responsibility of change agent.
- Across the public sector, a clear owner for driving sustainable procurement at each public sector level should be identified and appropriately resourced.

- There is a need for a joined up approach to sustainable procurement across the public sector and a role for a taskforce to be set up to achieve this. It is suggested that this grouping includes others beyond civil government and that its remit extends beyond environmental procurement.
- There is huge scope for the taskforce proposed above to explore the potential use of the Well-being Powers (Section 2; Local Government Act 2000) and the new enhanced powers to trade and charge for services (Local Government Act 2003) in relation to procurement.
- The Audit Commission has a key role in influencing and encouraging the performance of local authorities and in sending out clear messages. It is proposed that being judged as an “excellent” council, means that the council should be expected, also, to be excellent in addressing the section of the National Procurement Strategy relating to ‘achieving community benefits’.
- IDeA and Audit Commission have produced a draft library of performance indicators relating to sustainable procurement. Each Centre of Procurement Excellence should promote the use of the performance indicator relating to sustainable procurement.
- There should be a programme of training rolled out for elected members and chief executives of local authorities - and other Local Strategic Partnership members - on sustainable procurement and affecting the associated change.

In summary there is a tremendous amount of good existing practice in the development, piloting and application of procurement tools and approaches, that could be better shared between the public sector and beyond.

This report is just a snap-short and sample which could be developed and disseminated. It could be developed as a resource to assist the Centres of Procurement Excellence.

The ‘added value’ that joint mixed professional and sectoral working can bring, to increase efficiency and effectiveness in procurement, has been highlighted. A need for more regional opportunities of this kind, networking with ‘practitioner procurement clinics’, has been identified. Again this is of relevance to the Centres of Excellence. It is vital that the training needs of professionals, through the CoE, are also linked the outcomes of the Egan Review.

So too, has the value procurement itself been recognised as an important tool to achieve broader, long-term public policy goals; economic, social and environmental well-being on a universal scale.. Specific approaches and activities that address, for example, climate change through carbon dioxide reduction measures (energy conservation and efficiency, local reuse of building materials), and that also address some of the chronic public health issues, such as obesity, need to be clearly and appropriately framed within all procurement protocols.

Within this are areas of interest, based on the issues already identified in the UKSD Strategy Review consultation document. Energy and food are key topics that organisations could collectively work on as pathfinders for sustainable procurement.

Finally, there was a genuine enthusiasm expressed for the organisations to meet again to develop and work on the delivery of an action programme. Further expressions of interest in supporting this work have come from CIPS.

However, for this to happen there needs to be established in principle, a core lead organisation, or cluster of organisations. OGC has expressed a willingness to consider how it might play a role with others, such as IDeA, ODPM, Defra, and SDC. A series of outline schematics to show the

key audiences and sample areas that could be for benchmarking on sustainable procurement, are attached in Appendix V. It is hoped that these ideas are incorporated in the recommendations and action plans stemming from the SD Strategy Review, and the future protocols of the Central Local Partnership.

Recommendations

It is recommended that:

- 1. This report is circulated to all seminar participants;**
- 2. A meeting is convened, as soon as possible, between the Sustainable Development Commission, OGC, ODPM (which expressed an interest in the seminar outcomes), the Sustainable Development Defra, Defra (SDU), NHS PASA and NHS Estates with IDeA. Given that a high profile conference (6th October 2004) is being planned by Defra/OGC on procurement, this might offer a useful focus.**
- 3. This report is forwarded for consideration to Central Local Partnership Working Group due to be convened by ODPM over the summer, to develop proposals for taking forward sustainable development at the local level.**
- 4. CIPS, is also invited join the dialogue either at the meeting proposed in (2.) above or separately having expressed an interest in engaging with the public sector procurement agenda, and what the key challenges are over the coming years, and how SD might be profiled in revised content of existing and new learning and training programmes.**
- 5. Specific proposals relating to the outcome of the SD Strategy Review and the terms of reference for the Regional Centres of Procurement Excellence are developed from these initiatives so that the basic guidelines for procurement from now on follow SD principles and practices.**

Appendix I - Participants at the 30 March 2004 Seminar

Clare Poulter (Dr)	OGC Buying Solutions
Gordon Murray (Dr)	IDeA, Manager - National Procurement Programmes
David Geere	IDeA, Procurement Consultant
Kevin Lyons (Dr)	Director of Procurement, Rutgers, State University of New Jersey (US)
Bob Andrew	Defra, Team Leader for Sustainable Procurement in Defra
Karin Cavill	Defra, Sustainable Development Unit
Paul Lewis	Dti Social Enterprise
Barbara Morton	Dti, Project Manager - Sustainable Procurement JEMU Dti
Darian McBain	NHS Purchasing & Supply (PASA), Head of SD Policy,
Chris Chapman	WLGA - Programme Manager WLG-Procurement Support Unit
Jonathan Harris	GO- East Midlands Asst Regional Director for Health, GO East Midlands
Mike Barnes	GO-East - Rural Team Leader Govt Office for the East of England
Jenny Barker	Forum for the Future, Strategic Advisor Local & Regional Programme
Jackie Spiby	GO-SE Consultant in Environmental Public Health GOSE
Vicki Hird	SUSTAIN, Director
Jude Moore	WRAP Waste & Resources Action Programme
Richard Kitt	Local Government International Bureau
Colin Bottjer	Contracts & Procurement Manager, Norfolk County Council – Member of Eastern Shires Purchasing Consortium (ESPO) Procurement Consultant Portsmouth City Council & Central Buying Consortium - Environment Group
Shane Atkinson	Principal Commissioning Manager, Cambridgeshire County Council
Richard Harrison	Head of Procurement, London Borough of Haringey
Michael Wood	Strategic Procurement Manager, London Borough of Camden
Katherine Cope	Environmental Sustainability Manager, London Borough of Lewisham
Conrad Young	Kent Business Service, Kent county Council
Tina Thomas	Sustainability Team Leader, Hertfordshire County Council
John Rumble	Regeneration & Projects Manager, Kent County Council
Rob Hancock	Sustainable Development Commission, Policy Analyst - Food & Health
Victoria Read	Sustainable Development Commission, Commissioner,
Anna Coote	Sustainable Development Commission, Commissioner & LSAB Member
Derek Osborn	
Tim O'Riordan (Prof)	Commissioner, Sustainable Development Commission
Cllr Pam Palmer	Carmarthenshire County Council/ WLGA Carmarthenshire County Council, Director Strategic Projects, LSAB Member
Robert Sully	
Ian Gray	Chartered Environmental Health Practitioner CIEH /LSAB Member
Cllr Claire Nash	LGA /LSAB Member
Cllr Toby Eckersley	LGA /LSAB Member
Valerie Hastie	IDeA, Local Sustainability Team
Ken Webster	IDeA, Head of Local Sustainability (Commissioner of the workshop)
Peter Woodward	Quest Associates (Professional Facilitator for the session) Global to Local Ltd / Sustainable Development Commission, Local Governance Policy Advisor (Organiser for the workshop)
Fay Blair	

Appendix II –

Notes of the seminar as documented by professional facilitators, Quest Associates

AGENDA

- **Introduction**
- **Sustainable procurement works!**
Presentation by Dr Kevin Lyons, Rutgers University, New Jersey, USA
- **Emerging picture on procurement in the UK.** *Presentation by Dr Clare Poulter, CGC Buying Solutions*

Defining sustainable procurement to achieve impact and understanding

Taking forward the procurement agenda- identifying actions for the next 12 months.

The following definition was put to the participants and comments were invited.

Using public in a professional and publicly accountable manner, to achieve long-term organisational and community benefits, in its widest sense while minimising adverse impacts.

Benefits relate to social, environment and economic issues that include diversity and equalities, health, development of SMEs and sustaining economies.

Sustainable public sector procurement is not an 'add-on'- It's integral to good public procurement.

Comments

- Missing- delivering objectives in an integrated way
- Linkage to local vision and priorities is an important factor
- Beware of local visions of sustainability- often quite narrow
- Doesn't talk about reducing consumption- i.e. changing the way we actually procure
- We don't have the market, technology framework or organisation to recycle plastics – procurement could be route into some of this - big opportunities- virtuous circle created through new enterprises supporting local – economies etc.
- Practicalities of a broad definition- need to focus on achievable
- We are lacking vision – need an holistic view
- Why are we inventing new definitions? There is already an international definition agreed
- Like the idea that procurement is becoming a professional practice- need to identify competencies. But it should be a public service.
- Need to focus on giving people the tools to do it
- There are missing links in the procurement chain in the UK- there is little technology transfer. Learn from the USA experience.

- We need to understand the procurement process better e.g. links to economic development
- No shortage of innovative companies willing to take on ideas. What is missing is understanding by top management.
- We need better policy in place as well as sustainability appraisal
- Procurement generally has its own problem getting onto the corporate agenda.
- The challenge is to take on sustainability as well. Maybe sustainability is the means of getting procurement properly delivered?

Identify 3 key areas for action within 12 months to take forward the sustainable procurement agenda.

The participants worked in small groups to identify actions and to agree on those which would make the difference over the next 12 months. These weren't prioritised in any way, although no.s1 to 5 we were able to develop a little further in plenary session.

1. Get sustainable development into terms of reference of 8 change agents
 - Meeting to frame the terms of reference for change agents- someone to go along to OGC
 - Use examples – lifecycle analysis, SEA, sustainability appraisal
 - Risks register- taking no action is a risk
 - Possible links into the SDC
 - Refurbishment
 - CO2 audits
2. High level national action to redefine Gershon terms of reference Go to the Treasury and make a case. Gershon should operate within sustainable development.
 - Share our responses to Gershon
 - Use the government's commitment to SD to create leverage
 - SDC, IDeA, LGA need to be involved- perhaps co-ordinating a collaborative response.
3. New UK SD strategy should have a commitment to sustainable procurement.
 - April launch- we should all go.
 - Get Prime Minister to give a personal commitment at the launch- could be BIG
 - It's open for us to declare that sustainable procurement is key.
 - Everyone here should respond to the consultation. Big strategic opportunity.
 - CIPS is a specific target- lobby the Director of Professional Practice
 - Link to CSP policy document- FRIDAY (2nd April) is a key date.

4. Get sustainable procurement into the Public Health White Paper "Choosing Health"
 - o 2 months to go on the consultation- go to choosinghealth.consultation@doh.gsi.gov.uk
 - o Need a reminder / prompt to respond to key consultation opportunities.
5. Develop sustainable procurement competencies
 - o Design job descriptions
 - o DFES published sustainable action plan
 - o Certificate of Purchasing in the Civil Service- could we get a module into this? Try CIPS
 - o Local Government competency training in sustainable procurement is being developed
 - o Awards for research into sustainable procurement – CASE
6. Make sure there is raised awareness at top level- SD in CPA and Commission for Health Audit and Inspection (CHAI)
7. Make sure regulators know about sustainable procurement- OFSTED, OFWAT, Audit Commission (CSR) - this is a force for good.
8. Create common understanding of SD across everyone –bottom to top. Build capacity. Issue of approach - key individuals versus broad brush.
9. Negotiating closed loop relationships between public procurers and suppliers for packaging and end of life goods. Consider centres of excellence?
10. Develop Centres of Excellence and Innovation. Perhaps we should call them Collaboration Centres. They should be facilitating this and disseminating information
11. Greater visibility for the range of sustainable goods and services available e.g. WRAP, REMADE
12. Trade Associations, DTi Environmental Goods and Services- target them
13. Engage with suppliers- especially SMEs- to broaden the base. It's a two way process- they could help us.
14. Carry out baseline assessments of spend on sustainable goods and services
15. Capture the Government 'spirit' in favour of well-being, civic renewal etc and demonstrate how sustainable procurement can help achieve these strategies

Observations on the actions

- o People currently don't value procurement as an important part of their business
- o Sustainable procurement is not people's agendas
- o Don't consider that procurement should support organisational objectives- don't see the value added by procurement
- o The actions could be categorised across national, regional, and local. Perhaps we need three different approaches.

-
- It makes quite a daunting agenda
 - We need to focus on all these actions- hit them all!

Conclusions

- Is there an emerging Sustainable Procurement 'community'?
- IDeA is committed to Associate Groups- it can support this network through that mechanism
- Use Strategic Supply Chain Group when ready to engage with the Corporate Sector
- Tap into existing mainstream networks
- East Midlands is using Regional Assembly network- this seems to work well
- Getting together as a national network is good- we would have a stronger lobbying voice
- Propose IDeA attempts to prioritise the actions and feed back to this group
- Create the mechanism for people to talk and influence
- Kevin Lyons observation on today - in Rutgers we just started doing it which also has its merits.
- Parallel actions are needed.
- Reward mechanisms are critical
- Get it on the CIPS agenda annual conference
- Make good use of Kevin's resources, good practice and information

Appendix III –

Key messages from the summary outline of Kevin Lyons' Presentation

Dr Kevin Lyons has a PhD in supply Chain Environmental Management with a diverse twenty years' experience as researcher *and* implementer of procurement practice.

He has managed an impressive range of projects all of which offer valuable experience and learning which could be applied to the UK context especially given the potential of the nine Regional Centres of Procurement Excellence. These are likely to develop working links with a range of academic, training and skills institutions, and liaise with regional bodies such as the Regional Development Agencies and local authorities. Copies of his PowerPoint presentations (relating to those listed in Box A below) could be widely shared to challenge what is transferable and workable in the UK.

Box A: A sample of Rutgers sustainable procurement initiatives

- Rutgers ORACLE E-procurement Team (1999-2002)
- Rutgers – Camden Life Cycle Costing Project – Purchase Profiles
- Waste/financial impact profiles attached to each purchase (Resource Track)
- Reporting 'real-time' purchase to waste statistics
- Programme for Environmentally Preferable Purchasing (EPP) and e-Commerce
- EPP GPS Resource Tracking 'Buyer' Footprint (including supply chain tracking to Columbia and Peru regarding coffee sourcing for Rutgers) to tack trade issues and foster International Corporate responsibility and waste management
- Commodity Resource Life Cycle Analysis (LCA) Tracking and Mapping Project
- Web Database; Procurement Life Cycle Costing Decision Matrix
- EcoComplex (using the methane from landfill and the creation of Mack truck refueling station and for the Greenhouse project); R&D Government/Industry Participation
- EPP government/Community School Developmental Projects involving HE Community Shared Services Initiative
- EPPP Local Economic Development Initiative

The key message from Rutgers is that the projects have delivered considerable cost savings, not just 'one-offs', but year on year. (A sample set of are shown below, Box B). The importance of e-procurement was made clear, and the need for this to be backed by sound research (LCC and LCA data eg. With costs of waste disposal factored in the commodity price not just the upfront acquisition cost) to help streamline information and make it quick and easy for all personnel in an organisation to procure in ways that have been screened as environmentally preferable. These examples provide compelling evidence, showing why and how embedding sustainable development into procurement practice delivers efficiencies and long-term benefits, including economic, social and environmental well-being benefits for the community. The success of the work has led to Rutgers leading work on the New York City Transit Authority project, 'greening' the MTA (and Lower Manhattan) and for the New York Stock Exchange, 'greening' the NYSE Supply chain.

This approach and application of projects and partnership working with local and broader technology transfer embodies the essence of the policies contained with the UK Dti Innovation Strategy (Dti: 2003)

Box B:

Sustainable Development via procurement – savings achieved since 1990

- Waste Prevention/ avoidance = \$3.5 million per year
- Insurance Risk Liability = \$2.5 million per year
- Alternative Eco-product/Services, Construction = \$5.75 million per year
- Energy Alternatives/Conservation = \$4.5 million per year with reinvestments
- Energy Enhancements (existing mechanicals) \$1.5 million per year
- Energy Management Systems - \$1.85 million per year
- Alternative Fuel Vehicles (break-even)
- Water conservation (eg. shower heads, urinals) \$1 million
- Lease-Return Contracts = \$1.9 million per year
- Fair Labour Compliance (Profile value and Legal Avoidance)
- Public Image/Marketing our success: Health Buildings/Cleaning Products
- Co-operative Purchasing Savings – procurement leverage
- Federal/State Grants (= \$10 million per year) – leverage for additional sustainable development enhancements

Some of the identified key ingredients to success were:

High-level organisational commitment /Value-Added Procurement – Not a ‘bolt-on’ In the UK procurement appears to be ‘climbing up the ladder’ and ‘is earning its place at the board /management team level’. It was acknowledged that is it not a lack of good procurement tools that is impeding progress, but a lack of senior and organisation-wide awareness and grasp of business acumen – ‘procurement savvy’ that is vital to realise the potential of good procurement frameworks and processes that procurement professionals are putting in place. There is a strong case for key organisations – CIPS – to evaluate the current learning ladder and review how sustainable development can be incorporated, particularly to demonstrate a basic level of awareness and competence in all middle/senior managers.

Cross-functional integration; This means involving all the different areas within an organisation that can gain value from interacting with suppliers (such as procurement, environment, manufacturing, marketing research and development and distribution). In the UK in the public sector at central and local level this is progressing. The targets in the National Procurement Strategy for local government, the base lining of information and supply chain analysis that will be undertaken by the Regional Centres of Procurement Excellence and implications of the Efficiency (Gershon) review should escalate this.

Incorporation of environmental issues; Effective processes for targeting where suppliers are involved in environmental initiatives; Clear, consistent, frequent and two-way communication with suppliers about environmental issues and performance expectations; For Rutgers and other colleges in the US, there is a mandate, ‘mission’ for colleges to use (reach targets) women or ethnic minority-owned businesses to deliver goods via ‘second tiering’ i.e. obliging the large key contractors to use second and third level suppliers in delivering their contract /procurement solution. In the UK, the examples of sustainable procurement initiatives collated in advance of the seminar, demonstrated the importance and value of this. These criteria will be of fundamental importance to the ‘change agents’ developing the protocols for national and regional level and consortia framework contracts for commodities. This will have consequences for ensuring a mixed economy, and local economic regeneration. The work of the ODPM commissioned

National E-Procurement Project (*NePP*) and the *Small Business Task Force* have some key messages to help shape future policy and protocols.



Appendix IV

A summary of sustainable procurement initiatives

Developed from data collated by Dr Gordon Murray, Manager, National Procurement Programmes, IDeA and supplemented with information by participants from the 30 March workshop

Initiative/Group	Purpose	Description
Sustainable Procurement Group	This Whitehall group is to recommend the most appropriate strategy for civil government procurement	<p>Chaired by Dr Clare Poulter, OGC Buying Solutions. There have been two significant outcomes: the publication of 'quick wins', some of which are obligatory for central government and IDeA have endorsed for local government http://www.ogcbuyingsolutions.gov.uk/environmental/products/environmental_quickwins.asp The revision of the primary policy document, the OGC-DEFRA Joint Note http://www.sustainable-development.gov.uk/sdig/improving/contextf.htm</p> <p>IDeA participated in the development of the joint note but are not members of the SPG. The joint note is on the Defra website. The group is continuing work on:</p> <ul style="list-style-type: none"> • Social issues • Innovation • Food procurement
OGC Buying Solutions	Puts in place national framework contracts for use by all of the public sector	<ul style="list-style-type: none"> • Working with PASA to implement common web-based supplies environmental performance database/ questionnaire • Developing a 'pilot' green products website for potential future roll out as a joint project with Defra • Making 'Quick Wins' available (specifications update by Defra as part of market transformation)
FPIG Food Procurement Implementation Groups	To progress the recommendations of the Curry Report, in the context of public sector sustainable food procurement	The initiative aims to promote the procurement by the public sector of sustainable food – by sustainable food, in this instance, we are referring to using public procurement as a mechanism to ensure that the UK farming industry is also sustainable in the long-term, through a combination of buying fresh and seasonal food with the minimum of packaging; possibly organic. The initiative also aims to promote healthier food to those who are



Initiative/Group	Purpose	Description
		<p>provided with food through the public sector, for example, social services, school means, staff canteens. Local government food procurement is considered to have a major role in delivering this objective.</p> <p>IDeA sits on the main FPIG Group. A National Conference was held on 26th November 2003 and a series of regional workshops are being rolled out during February. England only. Potential for regional workshops to be further rolled out.</p> <p>Roger.Hinds@defra.gsi.gov.uk</p>
<p>Welsh Procurement Initiative</p>	<p>WPI – Formed to implement the recommendations of ‘Better Value Wales’, and improve procurement across the whole of the public sector in Wales.</p>	<p>The Welsh Local Government – procurement Support Unit with the Assembly’s Welsh Procurement Initiative Team, are working jointly to improve Welsh public sector procurement performance via best practice, processes and techniques.</p> <p>The main thrust of the initiative has been through a series of 21 pathfinder projects which are being run to develop, test, and initiate good practice, including: -</p> <ul style="list-style-type: none"> • Sustainable Development in Procurement • SME Development [focused initially on the food sector] • Community benefits <p>A major element of the initiatives role is to develop collaborative opportunities and share good practice, A network of cross sector forums and groups has been established through which this is being achieved.</p> <p>The WLG-PSU also provides direct advice, guidance, and support to Welsh local government. Contacts: Chris Chapman, Welsh Local Government Procurement Support Unit christopher.chapman@wlga.gov.uk Alison Standfast, Welsh Procurement Initiative Team alison.standfast@wales.gsi.gov.uk</p> <p>Web links: XchangeWales – National Procurement Website http://www.xchangewales.co.uk WLGA – Procurement</p>



Initiative/Group	Purpose	Description
		http://www.wlga.gov.uk/index3e.htm
WRAP: Making it Happen	A roll-out of the joint SOLACE/IDeA/WRAP high-level briefing document which was published in the Autumn 2004. Regional workshops planned throughout UK in coming months	The briefing document expresses IDeA's ideas and provides what is recognised as a simple, step-by-step route for implementing sustainable procurement. The target audience are Chief Executives and Members. Contact Dr David Moon: david.moon@wrap.org.uk
Strategic Supply Chain Group	A high-level cross industry group to drive sustainable production and consumption through informed procurement and supply chain management. ◆ Terms of reference To determine, direct & co-ordinate the work of the Environmental Supply Chain Forum (ESCF) in developing new tools, techniques, training materials, etc with respect to sustainable production and consumption and to receive feedback. To influence government policy and to network with and influence senior managers, policy-makers and others on sustainable procurement and supply chain management strategy and policy. To identify current and future issues in sustainable procurement and supply chain management, including	The group grew out of one set up by CIPS Environmental Purchasing Group Contact Barbara Morton Barbara.morton@dti.gsi.gov.uk IDeA represents LGA on this group



Initiative/Group	Purpose	Description
	<p>legislation and economic instruments and initiate responses / activities as required.</p> <p>To work with professional bodies and others to support learning through the development of curricula, training courses and in-company training in sustainable procurement and supply chain management.</p> <p>To support UK government initiatives aimed at improving performance in supply market places, creating markets for recycled products and stimulating innovation in product development and service delivery, without compromising the consideration of social and ethical issues.</p> <p>To disseminate current good/best practice and to promote the uptake of supply chain tools and techniques, through the use of case studies and other methods.</p>	
Sustainable Supply Chain Forum (formerly environmental ESCF)	Group of organisations (private and public sector) who work together at a practical level to spread learning and best practice	Main contact Barbara Morton Barbara.morton@dti.gsi.gov.uk Christina.crowe@umist.ac.uk Tel: 0161 275 0455 www.sscf.info Tel: 0161 275 0455
West Midlands Sustainable	A group of public sector bodies, (primarily councils?) developing a regional approach	EA1ston@worcestershire.gov.uk



Initiative/Group	Purpose	Description
London Remade, etc	Aiming to stimulate the development and uptake of recycled materials. Linked to the Mayor's Green Code	jonathan.werran@governetz.com
EPI	The EIP initiative is new with the Group, under the DTI, only having had its first meeting on 2 nd October 2003. It focuses on stimulating the uptake of green products and their development.	Project manager, Barbara Morton Barbara.morton@dti.gsi.gov.uk
SUSTAIN	<p>'The alliance of better food and farming'</p> <p>An NGO and registered charity promoting sustainable food</p>	<p>A range of diverse and dynamic projects publications and links from the website www.sustainweb.org Contact Director, Vicki Hird</p> <p>Agri-food network Agriculture and Trade Project Food Poverty Project Food Ads and Labelling Project Grab 5! Project London Food Link Sustainable Food chains Project Organic Targets Campaign <i>Digest</i> – quarterly Magazine</p> <p>Good Food on the Public Plate: A manual for sustainability in public sector food and catering. The series of short workbook reports that make up the total manual were developed by Sustain and East Anglia Food Link</p> <p>Tel 020 7837 1228 E-mail sustainab@sustainaweb.org</p>
Local Food Works	A partnership project between the Soil Association and the Countryside Agency providing practical support and information for the development of local food networks	<p>www.localfoodworks.org</p> <p>Downloadable from the website: Briefing sheets on key local food issues, case study best practice examples, events in the regions, direct links to key local food organisations, the '70 local food contacts you need to know'</p>



Initiative/Group	Purpose	Description
		<p>Subjects:</p> <ul style="list-style-type: none"> • Funding for your local food initiative • Public procurement in schools and hospitals • Community Supported agriculture • Direct marketing and producer groups • Food co-ops, allotments community gardens • Box schemes • Providing local and organic school meals • Where to access training courses • Where to go for business advice <p>Soil Association, Bristol House , 45-56 Victoria Street, Bristol BS1 6BY Local Food Works Information Service, Amanda Daniel Tel: 0117 914 2424</p> <p>E-mail ifw@localfoodworks.org</p> <p>Is helping to create local food networks such as regional strategy groups, local food link organisations, farmers' groups and community food project networks. Working with local and regional agencies, health workers, community groups, processors, farmers, growers and others, the project aims to support and build upon the existing food sector.</p>
Food for Life Project	Run by the Soil Association Up to date Information on the state of school meals in the UK and a pilot project of schools taking forward work to raise the nutritional standards and quality of ingredients in schools and that enhancing local products.	<p>www.soilassociation.org Education materials linked with the national curriculum can be downloaded. Other resources: <i>Food for Life Report – health, local organic school meals</i> <i>Food for Life Action Pack</i> Tel: 0117 929 0661 info@soilassociation.org</p>
IDeA Guidance	To provide local government guidance on sustainable procurement. Directly linked to National procurement Strategy for Local Government (ODPM/LGA 2003)	Guidance published



Initiative/Group	Purpose	Description
<p>LEAP (Local Authority EMAS and Procurement Project)</p>	<p>is a three-year LIFE funded project being led by ICLEI (The International Council for Local Environmental Initiatives) and Global to Local (a UK environmental consultancy). The project has just been approved and involves municipalities across Europe although half are UK based.</p>	<p>Simplistically the project comprises: Global to Local Ltd has been asked to take the national lead role on behalf of IDeA.</p> <ol style="list-style-type: none"> 1. Identifying products purchased by local authorities which have the most environmental impact 2. Reviewing the current use of procurement in EMAS accredited municipalities 3. Developing green procurement tools 4. Undertaking, e-enabling and reviewing two 'joint procurements for green products, identified in 1 above 5. Dissemination of the results. <p>Participating Municipalities are:</p> <ol style="list-style-type: none"> a. Leicester City Council (the lead authority) b. LB Sutton c. LB Southwark d. LB Lewisham e. Sandwell MC f. Hannover City Council g. The Municipality of Pori h. City of Vaxjo i. Municipality of Almanda j. Municipality of Chorargos k. Municipality of Amaroussion
<p>PROCURA+</p>	<p>The background is an ICLEI research project called RELIEF which identified the cost and environmental benefits of sustainable procurement. The</p>	<p>The project in essence is pan-European with the following countries having agreed to participate having agreed National Partners: Italy, Spain, France, Denmark, Austria, Germany, Norway, the Netherlands, Belgium, and Finland.</p>



Initiative/Group	Purpose	Description
	<p>results of the RELIEF project were published in <i>'Buying into the Environment'</i> (www.Greenleaf-publishing.com). That research established the LA business case for green procurement. Out of that project <i>Procura+</i> has grown.</p>	<p>The project takes the form of a National Partner together with ICLEI supporting Pioneer Authorities in participating country improving their performance in sustainable procurement. The Pioneer Authorities for the UK are Newcastle and Guildford. If there is no National Partner but only a Pioneer Authorities, the Pioneer Authorities cannot participate. Unconnected to any initiative from IDEa, Newcastle and Guildford have put themselves forward as a Pioneer authorities, others have expressed an interest.</p> <p>The project focuses on greening six product categories which emerged as priorities through RELIEF and has a five step methodology.</p> <p>The six product groups targeted are:</p> <ol style="list-style-type: none"> 1. Electricity from renewable resources 2. Energy-efficient computers and IT for offices 3. Organic food for canteens, hospitals and catering 4. Buildings meeting highest heating and cooling efficiency standards 5. Health-orientated cleaning services 6. Quality-orientated public transport with low emission buses. <p>Those authorities who participate in the project decide for themselves which of the above are applicable and which they want to green, they could, for example, only select one category.</p>



Initiative/Group	Purpose	Description
		<p>The process of greening those categories selected then progresses through a five-step process:</p> <ol style="list-style-type: none"> 1. Procurement practice inventory, i.e. what they spend on the category to be greened? 2. Setting product-specific targets for improvement in greening 3. Developing an action plan 4. Implementing the action plan 5. Monitoring and reporting the results.
London Environmental Coordinators Forum (LECF)	A group of London Borough environmental managers who are addressing green procurement. They have produced their own guidance.	Conrad.Young@lewisham.gov.uk
Aberdeen initiative		This appears to be a major initiative to promote sustainable procurement in Scotland and is being undertaken by City of Aberdeen and a range of partners with funding from a Scottish Executive Sustainable Action Group
		[Barbara.morton@dti.gsi.gov.uk likely to be able to provide background etc. There is a link to Forum for the Future initiative]
Cardiff University	Research and development into work on sustainable food procurement in the UK with regard to public sector procurement especially schools. Detailed analysis of the impact that best value has had on schools and other public sector catering. Other case study material and research from abroad drawing particularly Italian case study material and	<ol style="list-style-type: none"> 1. Kevin Morgan (Professor) morgankj@cardiff.ac.uk Tel: 029-208-76090 2. <i>'cultura che nutre'</i> (A culture that feeds – a national/regional/local integrated education learning and awareness programme involving schools, teachers, pupils, parents, suppliers, growers, farmers, caterers and communities in Italy. <p>Roberta Sonnino - Ph.D. Research Associate E-mail sonnino@cardiff.ac.uk</p> <p>Department of City and Regional Planning, Cardiff University, Glamorgan</p>



Initiative/Group	Purpose	Description
	initiatives	Building King Edward VII Avenue, Cardiff CF10 3WA Telephone: (+44) (0) 29-20-875781 Fax: (44) (0) 29-20-874845
	Sustainable Regions – a free newsletter produced by OSKaR (Cardiff University _ for the TASK Programme. It receiving funding from the EU's Innovative Actions Programme and the Welsh Assembly Government	www.sustainableregions.net/site/?category=2 Volume 2, Issue 4, January 2004 <i>Best Practice Visit Report – Sustainable Agri-food Chains – the Tuscan Experience and Lessons for Wales</i> Tel: 02920 876145 Cardiff Business Schools, Colum Drive, Cardiff CF10 3EH
Sustainable Public Food Systems East of England	<i>Interreg III C</i> programme submitted as a Regional Framework Operation (RFO) to designed to create strategic co-operation between European regions	Developing a whole systems approach to agriculture, environmental, health and economic development through sustainable public sector food provision and education services A bid led by the East of England designed to exchange information, experience and create joint strategies and projects. It involves regions of Veneto, Languedoc-Rousillon, Andalucia and Estonia. Chrissie Pickin Tel: 01223 372816 or Mike Barnes Tel: 01233 372777
Forum for the Future - Sustainable Procurement Network Forum for the Future - Higher Education Partnerships	A group of 20 local authorities – sustainable development and procurement officers developed a sustainable procurement tool = Sustainable development appraisal of procurement decisions Guidance for universities on sustainable procurement	Developing tools and sharing of experience of implementing the procurement tool www.forumforthefuture.org.uk Jenny Barker j.barker@forumforthefuture.org.uk



Initiative/Group	Purpose	Description
Sustainable Development Commission 'Healthy Futures' Project	Exploring how the NHS can maximise its contribution to sustainable development through decisions on food and the building programme	<p>www.sd-commission.gov.uk</p> <p>This project includes gathering of good practices, including data on sustainable food procurement</p> <p>Victoria.read@sd-commission.gov.uk Sussanah.senior@sd-commission.gov.uk</p>
NHS Estates	<p>Responsible for setting policy and guidelines for capital works programmes eg building hospitals and health care facilities (over £25m) on size, structure and functionality of building but not where or how procurement takes place; this is decided by the Trust Boards. Gives advice to approx. 580 NHS Trusts and will do to Foundation Trusts as and when developed.</p> <p>(Targets on energy, water and waste) for facilities management)</p>	<p>www.nhsestates.gov.uk</p> <p>lorraine.brayford@doh.gsi.gov.uk Tel: 0113 254 7049 0778 964 3319</p> <p>'NEAT' NHS Environmental Assessment Tool is the results of a joint R&D project between NHS Estates, Dti . It was produced as a result of the government Construction client Panel requirements details in the Sustainable Construction Action Plan, by the British Research Establishment (BRE). It requires that all Government departments ensure that new builds and refurbishments are to be sustainably constructed. A suite of NEAT tools software is downloadable:</p> <p>www.nhsestates.gov.uk/sustainable_development/content/neat</p> <p>NHS PProCure21 – building Better Health. A programme to improve the performance of public sector clients in capital procurement. The aim is to introduce long-term relations between the NHS and the construction industry to establish partnering arrangement and effective supply chain management.</p> <p>(ProCure21 is DoH's response the Egan Report, 'Rethinking Construction' and the government-wide initiative 'Achieving Excellence'). This agenda will transform the way that healthcare facilities are procured in the future. The sustainability and Life Cycle Costing of future projects and developments is a key objective.</p> <p>www.nhs-procure21.gov.uk</p>



Initiative/Group	Purpose	Description
		Example Cornwall EU Waste Partnership
<p>NHS PASA</p>	<p>‘The Agency has a remit to take the lead role in modernising and improving the performance of purchasing and supply within the NHS and become the centre of expertise, knowledge and excellence on matters of purchasing and supply for the NHS to the benefit of patients and the public.</p> <p>The Agency contracts on a national basis for products and services which are strategically critical to NHS and in cases where aggregated purchasing power will yield greater economic savings than those achieved by contracting on a local or regional basis.</p> <p>Currently manage the national contracts for England. (Mirror agencies exist for the other Devolved Administrations)</p> <p>Patchwork contracts PASA buys energy sets specific policy</p>	<p>Darian McBain – Head of Sustainable Development Policy PASA Tel. 0118 980 8633 07786 913 960 darian.mcbain@pasa.nhs.uk www.nhspasa.uk (See – ‘modernising supply’, ‘supply management confederations’, sustainable development http://www.pasa.nhs.uk/sustainabledevelopment/)</p> <p>Currently PASA is working with NHS Trusts to form confederations or hubs, which will be responsible for NHS purchasing at a regional level. PASA has undergone a restructure to better respond to emerging regional issues. Currently 81% of Trusts are part of a confederation the target is for 100% of trusts to be in some form of confederation by end of the 2004/05 financial year. Confederations are an intermediate level of purchasing between local (done by NHS Trusts and PCTs) and the national level. PASA also delivers many procurement functions for the DH PASA is responsible for providing best practice advice on environmental and sustainable procurement, and has produced several guides to assist trusts, as well as maintaining an extensive website and providing education days to trust (eg on environmental procurement) http://www.pasa.nhs.uk/sustainabledevelopment/environment/proc.stm</p> <p>PASA has a ‘mutual’ research partnership arrangement with University of Bath CRISPS. One of the areas of focus is sustainable procurement, and learning methods for transferring knowledge on sustainable procurement. Sustainability forms a research theme in other courses/degrees run through Bath University.</p> <p>Dr Louise Knight - work looking at levels of procurement - Where is the most appropriate place - national, intermediate, local/Trust Level? . Seems there is a role for each level</p> <p>Head of CRISPS Christine Harland mnschmh@management.bath.ac.uk</p>



Initiative/Group	Purpose	Description
		<p>Dr Helen Walker mnsmd@management.bth.ac.uk Undertaking, near to completion, a world-wide literature review of sustainable procurement. Started September 2003. The next stage using action learning and research on how to integrate sustainable development with the Trust within PASA</p> <p>PASA ran environmental purchasing workshops for buying staff across PASA and the NHS (Delivered by Barbara Morton/Penny Street)(1 Person from buying team was invited. 112 people out of 450 attended) . PASA has recently delivered a half day workshop on sustainable development to all staff.</p> <p>PASA is working with NHS Estates on the Sustainable Food Procurement Initiative, and maintains progress against the NHS Action Plan. http://www.pasa.nhs.uk/sustainabledevelopment/food/</p>
Public Health White Paper 'Choosing Health'	Should include role of sustainable procurement in improving public health	Choosinghalth.consultation@doh.gsi.gov.uk
Food & Health Action Plan	This is currently being developed In the Department of Health. It should include a section on the important role of public sector food procurement in improving health	
Regional Government Offices	Are doing various streams of work on sustainable procurement, particularly on food procurement	Examples: Rural Director, GO Yorkshire and Humber Gordon Kingston gkingston.gohy@go-regions.gsi.gov.uk Tel: 0113 283 5860
Sustainable Construction	Yorkshire and Humber	Chair of Yorkshire and Humber Sustainable Construction Forum



Initiative/Group	Purpose	Description
Forum		Dave.chandler@hullcc.gov.uk Tel: 01482 612426
Portsmouth City Council	Common Values Partnership	<p>Launched in July 2003, this partnership aims to use purchasing as a means of creating an integrated society between employees and employers and customers and the communities they serve. It is a means of tackling the social issues of sustainability. A self assessment protocol /tool for business has been developed to show how each business can demonstrate evidence of working that supports the Council's broad range of objectives covering employment, social and environmental issues. The businesses carry out their own assessment which results in a star rating and the council then works in partnership with those companies that wish to improve in key, particularly 'weak' areas. A steering group was recently formed with a range of partners - Chamber of Commerce, Learning & Skills Council, SEEDA, Wessex Business Link - to help signpost and provide backup practical help. Incentives for business going through the self assessment process and registration, are automatic notification of all PCC tenders for contracts for work and services, and support and development.</p> <p>Contact: Stephen de Boise, Corporate Contracts Manager, Portsmouth City Council Stephen.deboise@portsmouth.gov.uk Tel 023 9283 4994</p> <p>Shane Atkinson – shane.atkinson@portsmouthcc.gov.uk</p>



Appendix V - Developing sustainable procurement as a shared priority: 1st LEVEL

Who are the key organisational audiences and what cross referencing / benchmarking of issues would be helpful?

AUDIENCE	Central bodies	Government Offices	Sustainable Development Commission	Defra	ODPM	Dti	DfeS	Audit & Inspection Audit Commission, CHIA etc	NHS PASA	NHS Estates	Health Development Agency	Environment Agency	Countryside Agency	English Nature	English Heritage	Regional Bodies, RDAs, Centres of Excellence	CIPS Others?
Metrics for SD in purchasing and supply contracts good and services What are suitable cross cutting indicators?																	
Where and what are the impacts on the 'sustainable communities' and 'civil renewal' agendas?																	



Developing sustainable procurement as a shared priority: 2nd LEVEL

Who are the sub-audiences, key professional groupings, that would benefit from joint/mixed procurement practitioner working?

AUDIENCE									
SPECIFIC THEMES OF ENGAGEMENT		Change Agents	Procurement Standards (eg Board)	Centres of Excellence	Chief Officers Local Government / NHS	Professional Groups Legal	Professional Groups CIPS	Professional Groups SOPO	Other Professional Groups (Egan's set)
	<i>Specific themes of engagement?</i>								
	<i>Energy</i>								
	<i>Food</i>								
	<i>Schools</i>								



Developing sustainable procurement as a shared priority: 3rd LEVEL

What do we collectively want to achieve, and what are the procurement action plan implications?

AUDIENCES								
Government Departments		Regions			Local		Other Bodies	
2004								
<i>What networks and mechanisms currently existing to promote and embed sustainable development into procurement as best practice?</i>								
2005								
<i>What action plan opportunities can be developed and framed within the UK Sustainable Development Strategy?</i>								
2006								
2007								
2008								
2009								
2010								
<i>What is the vision for local government?</i>								
ACTION PLAN PRIORITIES?								