



Sustainable Procurement & Social Value

2018 – 2019 Policy Statement

Introduction

Durham County Council recognises its responsibility to carry out commissioning and procurement activities collaboratively and in an economically, environmentally and socially responsible manner, in line with the **Sustainable Community Strategy** for County Durham, which aims to create a long-term, sustainable vision for the county.

The Council's Sustainable Procurement approach is supported by the Public Services (Social Value) Act 2012, which makes considering the wider social, environmental and economic impacts of procurement a public duty.

The Council, as a member of the North East Procurement Organisation (NEPO), will actively participate in the **NEPO Social Value Delivery Group** to share good practice on social value with other authorities and partner organisations in the region.

This strategy identifies a number of key topics with social, economic and environmental impacts, and goes on to set out **specific policy commitments**, explaining the approach we will take.

How is sustainability considered?

We can address sustainability through a number of “levers” in the procurement process, primarily:

- Asking relevant, targeted sustainability questions at the **Selection Questionnaire** stage of major procurements – seeking to ensure that the shortlist of bidders is made up of suppliers with a strong track record on delivering social value.
- Asking specific, target-setting questions at the **Invitation To 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 sustainable requirements as part of the **specification** of contracts, where possible, for example to ensure that purchased products meet sustainable environmental standards.
- 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 enable small firms or start-ups are not excluded;
 - ✓ Dividing larger contracts into **lots** 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;
 - ✓ Engaging in **supplier engagement** with the market, prior to major tender exercises, to ensure local bidders understand the process.

Policy Focus

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

Topic Area	Theme		
	Social	Economic	Environmental
Biodiversity & land use			✓
CO ₂ and greenhouse gas emissions		✓	✓
Engaging stakeholders & raising awareness	✓	✓	✓
Equality, diversity and employee well-being	✓		
Ethical supply	✓	✓	
Local goods and produce	✓	✓	✓
Regeneration	✓	✓	
Supporting SMEs and local business	✓	✓	
Third Sector and Social Enterprise	✓	✓	✓
Timber and sustainable materials		✓	✓
Training, education & employment	✓	✓	
Waste reduction, re-use, recycling	✓	✓	✓
Water			✓

Specific Policy Commitments

In addressing the key topics in sustainability set out above, we make the following commitments:

Biodiversity & Land Use

We will:

- Consider the Council's statutory duty to protect biodiversity when scoping contracts, ensuring our procurement activity supports the requirements of the Durham Biodiversity Action Plan.
- 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.
- Build a requirement for specific biodiversity risks to be managed, into the specification of relevant contracts.
- 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.
- Support the progress of Durham City to becoming a Sustainable Fish City, through specifying sustainably-sourced fish wherever possible in our food and catering contracts, and ensuring that the Council purchases no fish which are on the Marine Stewardship Council's "fish to avoid" register.

CO₂ & Greenhouse Gas emissions

We will:

- Encourage suppliers to measure the carbon footprint of their organisation, and to ask their supply chain partners to do the same.
- Encourage suppliers to take steps to reduce the CO₂ emissions of their business activities, and seek to reward suppliers who achieve significant outcomes in doing so.
- Build a requirement for CO₂ reduction into the specification of certain contracts, where appropriate.
- Encourage suppliers to be aware of the harmful impacts of greenhouse gases *other than* CO₂ and to take steps to reduce emissions of these *in addition* to CO₂ reduction.
- Build a requirement for non-CO₂ greenhouse gas reduction or control into the specification of certain contracts, where appropriate, based on the specific risk from such emissions.
- 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.

Engaging Stakeholders and 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.

Equality, Diversity and Employee Well-being

We will:

- Communicate the Council's commitment to our Single Equality Scheme to suppliers.
- Encourage suppliers to be aware of, and to tackle, equalities issues in the industries or market sectors in which they operate.
- Seek to reward suppliers who are active in promoting inclusiveness in their operations, their supply chain, and in the wider community.
- Encourage suppliers to consider accessibility in the workplace for the benefit of both employees and visitors, and to make accessibility arrangements a specific requirement of relevant contracts.
- Encourage suppliers to sign up to the Mindful Employer initiative, which aims to increase awareness of mental health at work and support businesses in recruiting and retaining staff.
- Encourage suppliers to work towards the North East Better Health at Work Award, to recognise the vital role that employers play in providing information, guidance and support to help employees make healthier lifestyle choices.
- Recognise the benefits of workforce volunteering in providing well-being to both employees in our supply chain, and to the communities they live and work in.
- Encourage suppliers to consider how, in other ways, they can look after the health and well-being of their workforce.

Ethical supply

We will:

- Promote the sourcing of fairly-traded alternatives (including, but not limited to, those carrying the “Fairtrade” mark) 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.
- Seek to reward suppliers who make ethical sourcing decisions and, where legally possible, exclude potential suppliers who have been shown to engage in unethical sourcing activities.

Local Goods & Produce

We will:

- Recognise the importance of sourcing local goods and produce, where possible.
- Take 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.
- Support the County Durham Partnership’s Sustainable Local Food Strategy.

Regeneration

We will:

- Encourage suppliers to support economic regeneration initiatives in the communities in which they operate, and seek to reward those which make significant efforts in doing so.
- Encourage suppliers to support socially beneficial cultural and heritage projects in the communities in which they operate, and seek to reward those which make significant efforts in doing so.

Supporting SMEs and Local Business

We will:

- Take steps to ensure our procurement process is as accessible as possible to SME bidders, by identifying and removing barriers to SME participation.
- 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.
- Seek to reward suppliers who create and support long-term, sustainable employment opportunities, local to their operations.
- Provide regular engagement and information sessions to ensure local SMEs understand the procurement process, and to receive their feedback.

Third Sector and Social Enterprise

We will:

- Ensure that the principles of the Durham Compact are embedded in our procurement practice, and promote the Compact to our supply base.
- Encourage suppliers to take steps to make supply chain opportunities accessible to relevant local third sector organisations and social enterprises.
- Provide regular engagement and information sessions to ensure local third sector organisations and social enterprises understand the procurement process, and to receive their feedback.
- Take steps to ensure our procurement process is as accessible as possible to third sector and social enterprise bidders, by identifying and removing barriers to their participation, and by recognising alternative bidding models, including partnership and consortium bids.

Timber and Sustainable Materials

We will:

- 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.
- 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.
- Seek to reward suppliers who demonstrate innovation in moving away from the use of scarce or under-pressure materials and towards more sustainable alternatives.

Training, education and 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 at relevant stages of the procurement process;
- Support suppliers in identifying relevant sources of support to assist in meeting the training and employment needs of target groups.

Waste reduction, re-use and recycling

We will:

- 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 – 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.
- Consider opportunities for reduced or more efficient use of resources, especially when preparing to re-tender for existing contracts.

Water

We will:

- Consider the risk of negative water impact in specific contracts, with particular focus on water use, waste water and discharges 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, and seek to reward suppliers who achieve significant outcomes in doing so.

Sustainable Buying Standards

To help implement the specific policy commitments above, and to ensure that goods and services purchased by the Council meet acceptable environmental and social standards, we will publish a range of **sustainable buying standards**.

Our sustainable buying standards will be linked to the DEFRA **Government Buying Standards**, where a relevant Government Buying Standard exists, and supported by regular market research. However they may also be modified or enhanced to reflect local priorities for County Durham.

We will publish our sustainable buying standards on the Council's website, to make our requirements clear to potential suppliers. Adherence to the published standards will be mandatory for Durham County Council departments – and strongly advisory for maintained schools.

For more information, go to www.durham.gov.uk and search "*sustainable buying standards*".

Contact Us

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