

Item: 10

Policy and Resources Committee: 20 February 2018.

Sustainable Procurement Policy.

Report by Executive Director of Corporate Services.

1. Purpose of Report

To consider a revised Sustainable Procurement Policy following consultation.

2. Recommendations

The Committee is invited to note:

2.1.

That the Sustainable Procurement Policy 2013 to 2015, approved in October 2013, has been reviewed and updated to comply with the Procurement Reform (Scotland) Act 2014 and associated Regulations.

2.2.

The outcome of consultation in respect of the revised Sustainable Procurement Policy, as detailed in section 6 of this report.

It is recommended:

2.3.

That the revised Sustainable Procurement Policy, attached as Appendix 2 to this report, be approved.

3. Policy Aspects

The proposals in this report support the undernoted Council values:

- Promoting Survival – to support our communities.
- Promoting Sustainability – to make sure economic, environmental and social factors are balanced.
- Promoting Equality – to encourage services to provide equal opportunities for everyone.
- Working Together – to overcome issues more effectively through partnership working.
- Working With Communities – to involve community councils, community groups, voluntary groups and individuals in the process.
- Working to Provide Better Services – to improve the planning and delivery of services.

4. Introduction

4.1.

At its meeting held on 24 September 2013, the Policy and Resources Committee noted inter alia:

4.1.1.

That sustainable procurement was a process whereby organisations could meet their needs for goods, services and works in a way that achieved value for money on a whole life basis and generated benefits not only to the organisation, but also to society, the economy and the environment.

4.1.2.

That sustainable procurement did not relate solely to environmental issues but could include social issues, for example equalities, diversity and fair and ethical trading and economic issues.

4.1.3.

That the Council did not currently have a corporate sustainable procurement policy.

4.2.

The Committee recommended:

4.2.1.

That the Sustainable Procurement Policy 2013-2015, attached as Appendix 2 to the Minute, be approved.

4.2.2.

That the Sustainable Procurement Policy 2013-2015 Action Plan, attached as Appendix 3 to the Minute, be approved.

5. Background

5.1.

The Council's approach to the Sustainable Procurement Duty is detailed in the Procurement Strategy and Contract Standing Orders as below:

“Before undertaking a Tendering exercise the Chief Executive, Executive Directors or Chief Officer shall take into account the social, economic and environmental impacts of the proposed Contract and whether the Contract will contribute to the achievement of sustainable development in accordance with the Sustainable Procurement Duty and the Council's Sustainable Procurement Policy <http://www.orkney.gov.uk/Service-Directory/P/sustainable-procurement.htm>.

For any procurement equal to or greater than £4,000,000, the Council must consider whether to impose community benefit requirements as part of the procurement.

The Chief Executive, Executive Directors or Chief Officer will consider only factors that are relevant and proportionate to the proposed Contract.”

5.2.

The Council's Sustainable Procurement Policy has been reviewed and updated to comply with the Procurement Reform (Scotland) Act 2014 and associated Regulations. Public consultation has been undertaken to provide an opportunity for all stakeholders to contribute towards the review and updating of the Sustainable Procurement Policy.

6. Consultation Process

6.1.

The consultation was launched at the Meet the Buyer Event held on 5 October 2017, which was attended by 47 people. A consultation workshop, facilitated by Barbara Morton of Sustainable Procurement Ltd and funded by Zero Waste Scotland, was held in the afternoon as part of the work to promote the Circular Economy Initiative. The workshop focused on the Key Priorities as detailed in the Sustainable Procurement Policy 2013 to 2015, referred to in section 4 above.

6.2.

The public consultation documentation was made available at the Meet the Buyer event and prior to that via the Council website and the Council's Facebook page. The consultation took place over a 6 week period, with a deadline for responses of 16 November 2017. Direct invitations to participate were made to relevant commercial and third sector organisations.

6.3.

There were 20 attendees who contributed at the consultation workshop. In addition 5 questionnaire responses were received from individuals and organisations who have responded to the public consultation. The comments received are detailed in Appendix 1 to this report, and summarised below.

- Islands Proofing in general in relation to the Circular Economy.
- Proportionate procurement processes relevant to the scale of the contract.
- Independent accreditation schemes and quality assurance schemes and how these are assessed as part of the procurement process.
- Community Benefit Clauses and how these can be developed to overcome barriers to employment for people with learning disabilities.
- More emphasis to be given to the requirement of contractors to comply with their obligations under the Modern Slavery Act 2015.
- Animal welfare.
- Supporting the eradication of single use plastics where feasible.
- More guidance requested for suggestions for accreditation schemes which would be acceptable for individual procurement exercises.

- Suggestion for the establishment of a consultative/advisory group so that interested parties would be able to input at the pre-market engagement stage of the procurement process.
- Request for more transparency on the reporting of progress towards the outcomes identified and targets set.
- Recognition and support for the outcomes stated in the policy with a request for these to become embedded across the Council.

6.4.

These have all been considered and incorporated as appropriate into the final draft Sustainable Procurement Policy 2018, attached as Appendix 2 to this report. Members are asked to consider the amended version prior to the publication of the revised and updated policy.

7. Equalities Impact

An Equality Impact Assessment has been undertaken and is attached as Appendix 3 to this report.

8. Financial Implications

There are no direct financial implications to this policy however the final budget allocated to the procurement of supplies, services or works will have to take into consideration, on a case by case basis, the financial impact that the Sustainable Procurement Duty may have on individual procurement exercises.

9. Legal Aspects

Section 1 of the Local Government in Scotland Act 2003 obliges the Council to make arrangements that secure best value.

10. Contact Officers

Gillian Morrison, Executive Director Corporate Services, extension 2103, Email gillian.morrison@orkney.gov.uk

Hayley Green, Head of IT and Facilities, extension 2309, Email hayley.green@orkney.gov.uk

Rosemary Colsell, Procurement Manager, extension 2640, Email rosemary.colsell@orkney.gov.uk

11. Appendices

Appendix 1: Consultation Responses.

Appendix 2: Draft Sustainable Procurement Policy 2018.

Appendix 3: Equality Impact Assessment.