

# Sustainable Procurement Strategy Consultation

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## Introduction and Principles

### 1. Do you agree with the main context?

I am responding on behalf of the Northumberland VCS Consortium. George Courtice georgecourtice@ca-north.org.uk 01670 500817 While we welcome the purpose of the strategy to “ensure the continuous improvement of environmental, social and economic impacts”, we are not convinced that the draft strategy, as it currently stands, plans for that. The Introduction refers to sustainable procurement taking into account socio-economic factors but the rest of the document makes virtually no comment on the contribution which procurement could make to those factors. It concentrates overwhelmingly on environmental factors. Furthermore, and disappointingly for what the previous government used to refer to as the Third Sector, and which in Northumberland we prefer to call the voluntary and community sector, it limits its concerns to the procurement of products rather than products and services (penultimate para p 2, fourth para p3). These might well be drafting errors but they reflect an approach which imbues the strategy – namely that “sustainable” is about the greening of the purchasing of goods. This is particularly so in the section headed “The Principles of Sustainable Procurement”. In our view sustainable procurement extends far further than environmental sustainability. It is about how best the process can ensure long term benefits to the community. You estimate that NCC will spend up to £400 million/year. How it goes about this will have a major impact on its local communities. We need to revisit efforts to promote local supply chains, develop local employment and training opportunities and recognise that truly sustainable procurement can lead to really positive change as well as enhance local economic resilience. In short, Northumberland needs to rediscover LM3, the cost of the leaky bucket, and recognise that much can be achieved without breaking the Public Contract Regulations of 2006. The sector is often reminded that EU procurement rules impose constraints on procurement policy. We are also aware that these rules can encourage a risk adverse approach and an excuse for inaction. There are plenty of examples of how other local authorities manage procurement to benefit their local economies from which we can all learn. At a time when we are told that what is required is a cultural change within the NCC, this is surely the moment to demonstrate real leadership, from both senior officers and elected members, by driving forward imaginative and innovative ideas. The VCS in Northumberland would be happy to contribute to shaping this policy. A very useful starting point would be to consider the conclusions of the report: Achieving Community Benefits Through Sustainable Procurement, Assoc for Public Service Excellence (APSE), Centre for Local Economic Strategies (CLES) Oct 2009.

### Working with SME's and the Third Sector

### 2. Is there anything within this section which you would like to add?

After several years prompting, we are delighted that the VCS is now defined by the procurement team as something other than SMEs – even if the term chosen is now considered outdated, at least by Whitehall. We welcome all efforts to engage with the sector on general tender issues as well as specific ones but would urge the organisers to liaise with the Consortium when planning these. In relation to improving the understanding between NCC and the VCS over commissioning and procurement issues, we regret that no officer has taken the opportunity to attend the training hosted by IDEA, and more recently NAVCA, specifically aimed at improving local authorities' purchasers understanding of the VCS. We were disappointed that there was no reference to the planned introduction of social and economic clauses as standard contract conditions. We accept that measuring their outcomes is difficult, but by no means impossible, and would put real intent upon the desire to take them into "consideration". The purchasing power of the County Council is such that it could help shape the local economy. Making its purchases conditional on suppliers agreeing to social, economic and environmental conditions should be part of the Council's armoury and is fundamental to progress in this area. Supplier commitments need to be evaluated and scored and the outcomes subsequently monitored.

## **The Procurement Process**

### **3. Is the information contained in this section clear and concise?**

In the joined-up future it's likely that NCC will opt for a sustainable commissioning strategy rather than for one of its elements (procurement). Given that this is just about procurement, it needs to make clear the circumstances when services can be purchased outside the full tendering process. When this section refers to procurement, it actually means the full tendering process, so all those services below the current threshold of £50,000 are excluded. The thrust of para 2 in Choosing Suppliers p6 implies that a potential supplier answering positively will benefit when being evaluated. However, there is no reference to scoring these environmental savings - just as there is no reference to scoring social or economic gains. In fact there is no reference at all to these latter two as being integral parts of a sustainable procurement strategy.

## **Sustainable Products and Services**

### **4. Is there anything within this section which you would like to add?**

I am assuming that this section is p 7 onwards. It is described as "advice and guidance". I wonder if this would be better converted into an appendix as none of the following 21 pages is very strategic. You call this section Sustainable Products and Services but I can find very little reference to services. That is what I would add.

### **5. Is the information contained in this section clear and concise?**

On one occasion the Good Practice is recommended, usually it is just Good Practice. Does this mean it will not be taken into account when evaluating competing tenders? Or will that be up to your "clients"? If these bullet points are to form the basis of environmental clauses it should say so but great care needs to be taken to ensure that these are proportionate to the value of the contract and achievable. Why is this section limited to "commodities purchased by the County Council" (para 1 p7) ? What bearing does this have on potential suppliers? Are they expected to adopt similar policies? Why no reference to the energy/carbon reduction gains from home working, reduced mileage claims, greater use of public transport, car sharing, green electricity etc?

## **Overall Document**

### **6. Is there an impact on equality and diversity within this strategy that has not been covered?**

I am unable to find any reference to this. The sustainable procurement strategy should have clear requirements and expect evidence that suppliers are committed to this. The mere existence of an E&D policy is not sufficient. Your question assumes that there has been some E & D impact analysis within this strategy but I cant find it.

## **7. Do you have any comments regarding the overall strategy?**

I am aware that this policy has had a long gestation. It could well have missed two important policies which have an important bearing on it. The recently agreed Economic Strategy 2010-15 for Northumberland and the 2008 Heat is On – the Strategic Framework for Climate Change Planning and its subsequent Delivery Plan are all highly relevant. Making connections to them by identifying common aims will increase this strategy's standing and might help to influence other parts of the Council. I am still not altogether sure about the scope of this policy. Does it cover all parts of the Council's procurement activities or just those covered by the Procurement Team? Given that both Children's Services and Adult Care are just two services which appear to tender for services independently of the Team, can we be assured that they will now be brought within the fold and will be expected to implement whatever sustainable procurement policy is finally agreed? In short, is this policy the County Council's or the Procurement Team's? The VCS Consortium is very keen for the Council to get this important policy right. We would be happy to contribute in any way we can.