

MUNICIPAL YEAR 2013/2014 REPORT NO. **235**

**MEETING TITLE AND DATE:**

Cabinet – 9 April 2014

**REPORT OF:**

Director of Regeneration  
and Environment/Director  
of Finance, Resources and  
Customer Services

**Agenda – Part: 1**

**Item: 12**

**Subject: Sustainable Procurement**

**Wards: All  
Non Key**

**Cabinet Members consulted: Cllr. Goddard  
and Cllr. Stafford**

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**1. EXECUTIVE SUMMARY**

- 1.1 This paper sets out the steps that Enfield Council has taken to embed Sustainability into the Procurement process, the benefits that this action has achieved to date and what projects are currently being taken forward in order to continue to deliver improved outcomes to the environment, our residents and the local economy.

**2. RECOMMENDATIONS**

- 2.1 Cabinet to note achievements to date and to consider ongoing and future activity to embed Sustainability into Procurement processes.

**3. BACKGROUND**

As well as Enfield's role in planning and the community, Sustainable Procurement is a key mechanism through which Enfield Council can address social, economic and environmental objectives. The commitment to Sustainable Procurement directly impacts upon the challenges faced by Enfield (see section 2.3 of attached report) and enables the Council to deliver tangible improvements to the borough and its residents via the contracts it awards.

Sustainable procurement is defined as:

*“Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, while minimising damage to the environment.”<sup>11</sup>*

In short it means buying goods and services in a way that:

- Achieves whole life value for money
- Provides benefits to the local society
- Improves the local economy
- Minimises damage to the environment

Practical examples of how this is demonstrated includes the procurement of environmentally friendly products, requiring local employment generation through our contracts and retaining wealth within the borough through active supply chain management, including the creation of apprenticeships and training opportunities.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

Do nothing.

However Sustainable Procurement supports Enfield Council’s vision to make Enfield a better place to live and work, delivering fairness for all, growth and sustainability and strong communities and so this was not an option. There is also a legal obligation on the Council by the Public Services (Social Value) Act which requires contracting authorities to take local wellbeing into account before starting a procurement process.

#### **5. REASONS FOR RECOMMENDATIONS**

To continue to build on the positive actions achieved to date in embedding Sustainability in the procurement process, and to ensure that Enfield procurement continues to meet its’ Legislative requirements.

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<sup>1</sup> Enfield Sustainable Procurement Policy

## **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

The financial impact of any changes relating to the development of sustainable procurement can be taken account of when developing the Council's Medium Term Financial Plan.

### **6.2 Legal Implications**

**6.2.1** The Local Government Act 2000 placed a duty on local authorities to prepare a community strategy for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the UK and gave authorities the power to do anything they consider is likely to achieve the promotion of the area's well-being in that sense.

**6.2.2** The Sustainable Procurement Policy is in accordance with the Councils Constitution, in particular Contract Procedure Rules and EU law (Public Contracts Regulations 2006) ("the Rules"). The Council will continue to monitor the policy to ensure continued compliance with the Rules.

**6.2.3** EU Directive 2004/18/EC acknowledges that assessing the most economically advantageous tender balances price with other characteristics which may include "environmental performance and/or other sustainability criteria".

**6.2.4** The Sustainable Procurement Policy will ensure that all tenders for goods, works and services are assessed upon the basis of the whole life costing of quotations, not simply lowest price, to ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.

### **6.3 Property Implications**

The council is involved in many Environmental Sustainability strategies, including in the construction, maintenance and management of its buildings. The detail of these is reported separately.

## **7. KEY RISKS**

By not continuing to embed Sustainability into the Procurement Process the Council risks not meeting the requirements of the Public Services (Social Value) Act, which came into force in 2013.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

The Sustainable Procurement activity tackles inequalities in the tendering process, and ensures a transparent and equal process is taken. The report reflects on activities such as supporting SMEs and Local Businesses to have the skills and opportunities to bid for Council business, and the Council commitment to not contract with companies who use Construction industry blacklists.

### **8.2 Growth and Sustainability**

Sustainable Procurement promotes growth and sustainability through supporting local businesses, increasing job and training opportunities and ensuring our suppliers consider their impact on the environment.

The report gives examples of how local businesses are enabled to quote for Council business, as well as projects that Procurement have taken forward to actively ensure environmentally friendly products are available in the supply chain.

### **8.3 Strong Communities**

The report reflects on how Council Officers have presented at various local business forums over the past year to explain how the Council contracts for services and how to access these opportunities. These opportunities are used to promote sustainability, in particular the use of apprenticeships. In addition we are also working with partners to assist local suppliers take advantage of emerging industries as part of the RetroFit project. This is supporting Enfield's business community.

## **9. EQUALITIES IMPACT IMPLICATIONS**

Sustainability in the procurement process actively works to eliminate discrimination, provide equality of opportunity and ensure our providers to work to the equality standards promoted by the Council.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

This report reflects on the performance of the Sustainable Procurement Policy to date and how this has had positive impacts on the borough and its residents.

## **11. HEALTH AND SAFETY IMPLICATIONS**

Health and Safety are actively engaged in the procurement process to ensure that the appropriate Health and Safety standards are met by our Contractors.

## **12. PUBLIC HEALTH IMPLICATIONS**

Sustainable Procurement positively impacts on the health and well-being of the public in Enfield. For example, the report outlines the trial Consolidation Project which will reduce pollution within the borough through reduced lorry deliveries.

### **Background Papers**

None

Appendix One – Sustainable Procurement Paper

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