



## **PROCUREMENT STRATEGY 2008 - 2011**

### **INTRODUCTION**

The Council's first procurement strategy, covering the period 2004-07, was developed during 2004 and finally adopted in January 2005. It set out the policies and practices the council intends to follow as it spends around £10 million each year on the acquisition of bought in goods and services.

Much has been achieved since the publication of the first strategy (2004-07) and this revised strategy takes builds on this work undertaken to date. Much of the background in that document is not repeated here. It describes how South Staffordshire Council will organise its procurement practices in order to manage this £10 million of external expenditure as effectively as possible over the next 3-years.

The aim of this procurement strategy is to set out a clear framework for procurement throughout the authority, which reflects the Council's corporate plan, provides a framework for best value and sits alongside the Council's Constitution, Financial and Contract Procedure Rules.

### **PROCUREMENT OBJECTIVES 2008-11**

The Council's procurement objectives for the next three years are to:

- Help and support the continuous improvement of service provision across the Council
- Increase council-wide procurement capability, capacity and expertise
- Prioritise professional procurement expertise on high value and high-risk projects
- Make cash and non-cash savings by maximising the Council's purchasing power
- Use eProcurement as appropriate (see below) to improve the efficiency of the procurement process by:
  - Reducing the number of purchase orders and invoices by aggregation and use of P-Cards
  - Automating and simplifying all low value & low risk procurements
  - Maximising the amount of orders that are processed through the e-proc module of the Council's new financial system

- Become the customer of choice and increase competition amongst suppliers
- Develop, support and retain suppliers who offer the best value for money and build good contract management
- Continue to use the website to promote procurement
- Maintain a corporate key contracts register
- Meet the aims of the National Procurement Strategy and CPA. Progress against the milestones set out in the National Procurement Strategy is set out in **Appendix 1 – National Procurement Actions.**
- Seek wherever possible to collaborate with other councils, notably via the West Midlands Regional Improvement and Efficiency Centre (WMRIEP), taking advantage of their library of standard contracts and current tendering arrangements and also with other local public service and voluntary sector providers, as appropriate.

## **PROCUREMENT RESOURCE**

Procurement performance is of vital importance to the Council. To deliver the results described below the Council needs high calibre procurement expertise and governance. However, South Staffordshire is a small council with limited resources and no full-time procurement specialists. Instead procurement responsibility remains devolved to Service Managers/Heads of Service, as budget holders.

However, procurement practices are co-ordinated and monitored by the Officer Procurement Champion, (Director of Finance) as supported by the Electoral and Concessionary Services Manager, and, if appropriate, a meeting would be called by these officers comprising appropriate Service Managers and Heads of Service relating to the project.

A major resource is provided by the WMRIEP. They currently have over 260 contracts that are open and available for use in the region and over a 130 regional users of the West Midlands Procurement HUB – Contracts Database.

These are just a few areas covered on the database.

<http://procurementhub.wmcoe.gov.uk/homep.asp?PageRef=1>

- ICT
- Human Resources
- Building Construction and Materials
- Environmental Services
- Transport & Services
- Utilities

-Facilities Management

Details of all Improvement & Efficiency West Midlands projects, information on national procurement issues as well as regional issues are all available free of charge via the HUB. The HUB was launched in May 2007 and the WMRIEP would like to see all councils using it as a daily tool.

In addition, The Deputy Leader (Support Services) who is also the "Member Procurement Champion" is specified as the lead Member of the Council responsible for procurement performance (as recommended by the National Procurement Strategy) and he will report on a quarterly and annual basis to the Council's Executive.

## **PROCUREMENT RESPONSIBILITY & GOVERNANCE**

The "**Officer Procurement Champion**", supported as appropriate by the Electoral and Concessionary Services Manager, calling upon the Services of the WMRIEP, will be responsible and accountable for:

- Developing appropriate procurement policies, practices, guidance notes and templates for the Council
- Recommending those policies and practices to the SMT/Service Managers and Heads of Service for adoption
- Disseminating agreed procurement policies and practices across the Council so that a consistent and co-ordinated approach to procurement takes place
- Keeping up to date with developing procurement initiatives and innovations nationally
- Targeting and monitoring procurement performance across the Council and reporting it quarterly to the senior management team
- Identifying procurement training needs for all staff who are "supplier touch points" and identifying suitable training events for such staff
- Recommending, from time to time, necessary changes to Contract Procedure Rules so that they reflect the Council's agreed procurement policies and practices
- Maintaining the content for a "**Selling to South Staffordshire Council**" pages on the website which sets out guidelines about how to do business with the Council
- Being the Council's main reference point for all matters relating to procurement
- Setting up and maintaining a **small** number of key corporate contracts, covering categories such as office supplies, which will be mandatory for all staff
- Advising on the procurement aspects of other major contracts, being involved as appropriate, covering issues such as:
  - Sourcing and contracting strategy
  - Specification style and scope

- Supplier pre-qualification and bid list selection
- Bid evaluation methodology
- Post tender negotiation
- Contract management
- Helping the Council achieve its corporate efficiency savings, as stipulated by central Government.
- Ensuring appropriate procurement practices relating to sustainable/ethical procurement, equality and diversity, and supporting the local economy, are developed and embedded in the way the Council does business.
- Providing any procurement input to any service reviews which have a potential out-sourcing element
- Finding and communicating opportunities where the Council could make savings
- Promoting the use of the WMRIEP's Procurement HUB

**Service Managers/Heads of Service** are responsible and accountable for the procurement performance of their Units:

- Spending relevant budgets via corporate contracts
- Using corporate procurement expertise for all procurement projects over £100,000 (if appropriate)
- Providing information to the "Officer Procurement Champion" to help the Council make better procurement decisions

## **PROCUREMENT EFFICIENCIES & E-PROCUREMENT**

The National Procurement Strategy, published in October 2003, places certain responsibilities on all councils. Among these are the following eProcurement requirements:

### **By 2005**

- Every council should have implemented an appropriate e-Procurement solution as part of its e-Government programme
- For low value purchases, every council should be making appropriate use of a procurement card or a suitable electronic alternative.

### **By 2006**

- Every council should be using an appropriate e-Marketplace (see comments below).

The word "appropriate" is included to allow for the fact that councils vary considerably in terms of size, procurement complexity, resource available, and readiness.

More efficient procurement administration at South Staffordshire Council is being achieved by using the following approaches:

***Procurement cards:***

The Council has been using p-cards since a pilot in 2004. They have now been rolled out across most service areas of the Council, further areas will be issued with cards in 2008/9. This is being done for good practical reasons and produces efficiency savings. Staff are encouraged to use a p-card for all purchases below £300 if the supplier accepts the use of the card.

***On-line ordering:***

The Council is already ordering general stationery supplies, envelopes, paper, IT equipment and printer/toner cartridges from on-line suppliers. Both the ordering and payment systems are paperless, thus generating substantial administrative efficiencies, as well as improving user-friendliness and service.

***E-tendering:***

The Council's formal tendering process is paper-based and rather bureaucratic. It can be simplified immediately by sending tender documents out electronically to all bidders who are willing to receive them electronically. In the longer term in discussion with the WMRIEP we shall be looking to receive and open tenders electronically using an electronic vault and digital signatures to provide the necessary security.

***E-marketplaces:***

Several e-marketplaces, populated by a number of suppliers, and with fully automated and VAT-approved purchase-to-pay systems are now being piloted by various councils around the country. The WMRIEP is monitoring these pilots. The Council currently cannot justify a business case for approving such an approach and therefore intends to wait until more information is available from these trials before deciding whether or not a full marketplace solution is appropriate for us, and if so, which one.

***E-Proc***

Further advances in eProcurement are being made by the Council's new finance system using its e-proc module that will greatly reduce paper based ordering with purchase orders being completed electronically and purchase orders being sent electronically and invoices then being matched this way. This shift away from paper based ordering will achieve efficiency savings in officer time with automatic matching, provide greater audit control and should lead to invoices being paid quicker.

## **SUSTAINABLE PROCUREMENT**

This has two elements:

- Embedding procurement practices which support a sustainable environment.
- Supporting an economically sustainable local community

### ***Environmentally friendly***

The Council has produced and adopted its own environmentally friendly procurement guidelines (**Appendix 2 – Environmental Friendly Procurement - Green Guide**) to ensure that the Council uses materials that have the least possible impact on the environment, whether in production, delivery, use or disposal.

The aims of the guidelines are wherever practicable to: -

- Purchase materials from sources that are sustainable, to this end we will ask our suppliers for their environmental policies.
- Develop and implement a policy of waste reduction, reuse and recycling.
- Purchase as little as possible.
- Purchase equipment that is energy efficient.

Guidelines and a short questionnaire from August 2008 are being sent to all suppliers that the Council enters in to a contract with provided the value exceeds £1,000.

**The Guidelines and Questionnaire on Sustainable Procurement** are shown as **Appendix 3**. The results of the questionnaires and any comments of suppliers are being logged by Environmental Health (General Services) within the Environmental Management System (EMAS) to monitor and report on progress. Such guidelines have been embedded within the Council's contract procedure rules and guidance for suppliers to the Council on "Selling to the Council" pages of the website.

### ***Ethical***

The Council has adopted an ethical procurement report following a Scrutiny Panel review in 2007. The recommendations are fully supported.

The aim of the guidelines is to achieve value for money on a whole life basis in terms of generating benefits not only to the Council but also to society and the economy, whilst minimising damage to the environment.

An **Ethical Procurement Policy (Appendix 4)** has been produced for adoption as part of this strategy.

### ***Supporting the local community***

For contracts less than the tender limit of £50,000 in value we will remove barriers which inhibit smaller and start-up companies from bidding. For example, these requirements can be packaged into smaller parcels, or limited to say a period of only three-months, to minimise the risk to the Council, and to avoid the need for new companies to submit financial accounts, thus making it easier for new and small companies to win Council business.

We will continue to encourage a diverse and competitive supply market, including small firms, social enterprises, ethnic minority businesses and voluntary and community sector suppliers, by:

- signing up to the National SME-friendly business concordat as specified by the National Procurement Strategy.
- updating on our website the section on "Selling to South Staffordshire District Council" which describes what we look for in our suppliers and helps businesses in how to deal with us
- advertising forthcoming contracts on these "Selling to South Staffordshire" pages
- encouraging major national suppliers involved in larger contracts to use local sub-contractors and local labour whenever possible
- encouraging bidders for major contracts to submit additional proposals which aim to provide local community benefits.

## **PARTNERSHIP & COLLABORATION**

We define '**partnering**' as the creation of sustainable, collaborative relationships with **suppliers** in the public, private, social enterprise and voluntary sectors to deliver services, carry out major projects or acquire supplies and equipment. Partnering is appropriate for a limited number of very high-value, high-risk, long-term contracts such as PFIs. and in those cases it can deliver substantial additional benefits. It is likely that the Council will enter into very few formal partnering arrangements.

We define '**collaboration**' as the process of working in various ways with other public bodies to combine our buying power, to procure or commission goods, works or services jointly or to create shared services. Collaboration is a form of public-public partnership. Its major benefits are economies of scale and accelerated learning.

The Local Strategic Partnership is a forum that can be used to promote collaboration at the local level and be a means through which procurement can help to deliver the community plan.

The main driving force for both partnering and collaboration will be via the WMRIEP. One of its key aims to develop such initiatives especially amongst smaller Districts joining up to increase purchasing power and taking advantage of contracts already negotiated notably by larger councils.

## **PERFORMANCE MEASURES AND TARGETS**

The Member Champion will report on progress against this Strategy and the objectives within it quarterly and annually to the Executive.

## **IMPLEMENTATION RISKS**

The risks that may prevent us meeting our objectives are:

- **Lack of support/commitment from Members and senior managers**

**Mitigation** – report to SMT/Executive on an annual basis by Portfolio Holder for Support Services. All guidelines and this policy supported by the Council.

- **Lack of support from others within Service Areas**

**Mitigation** - Guidance to be made widely available on the intranet and internet, key aspects to be included during induction to the Council and training/refresher training provided as appropriate.

- **Poor data on which to make valuable procurement decisions**

**Mitigation** - New financial system will assist in this process and the initiative by the WMRIEP to offer all West Midland councils to use free of charge a data analysis tool.

## Appendix 1 National Procurement Actions

NOTE - Those highlighted in **Yellow** have already been completed by the Council (as at January 2005). **Green** as at April 2008.

<i>Theme</i>	<b>Providing leadership and building capacity</b>	<b>Partnering and Collaboration</b>	<b>Doing business electronically</b>	<b>Stimulating markets and achieving community benefits</b>
<b>Strategic Objectives</b>	There should be a commitment from the top of each council (leader, chief executive, procurement champion) to procurement excellence by managing it strategically and resourcing it adequately	The strategic objective of <b>partnering</b> is the delivery of better services to citizens through the creation of sustainable partnerships between councils and suppliers in the public, private, social enterprise and voluntary sectors for the delivery of services and the carrying out of major projects, including construction. The strategic objective of <b>collaboration</b> is to obtain better value by bringing councils and other public bodies together at local, regional and national levels to combine their buying power and create shared services.	<ul style="list-style-type: none"> <li>To achieve efficiencies in the procure-to-pay cycle including reduction in cycle time and reduction in transaction costs. This will free resources that can be directed into front line public services.</li> <li>To use e-Marketplaces to assist councils to access framework agreements and contracts.</li> </ul>	<ul style="list-style-type: none"> <li>Engage actively with suppliers</li> <li>Use procurement to help deliver corporate objectives including the economic, social and environmental objectives set out in the community plan.</li> </ul>
From 2003 (One action)				Where relevant, all councils shall consult staff during procurement projects and build employment considerations into procurement processes and contracts, including compliance with the Local Government Act 2003, Circular 03/2003 and the associated code of practice
By 2004 (Nine actions)	<ul style="list-style-type: none"> <li>Every council should adopt a corporate procurement strategy, based on a Best Value or other review. The strategy should be owned by members and senior managers and its implementation</li> </ul>	<ul style="list-style-type: none"> <li>Every council's corporate procurement strategy should set out the council's approach to partnering in service delivery and in construction projects.</li> </ul>		<ul style="list-style-type: none"> <li>Every council should publish a 'Selling to the Council' guide on its corporate website together with details of bidding opportunities and contact details for each contract.</li> <li>All corporate procurement</li> </ul>

	<p><b>monitored regularly.</b></p>	<ul style="list-style-type: none"> <li>• Every council's corporate procurement strategy should set out the council's approach to collaboration (including purchasing consortia, joint procurement and commissioning and shared services), and how it intends to use the new trading powers.</li> <li>• Every Best Value or strategic review of a service should include a robust and challenging appraisal of the different service delivery models available.</li> </ul>		<p>strategies should address</p> <ul style="list-style-type: none"> <li>○ the relationship of procurement to the community plan, workforce issues, diversity and equality and sustainability</li> <li>○ how the council will encourage a diverse and competitive supply market, including small firms, social enterprises, ethnic minority businesses and voluntary and community sector suppliers.</li> </ul> <ul style="list-style-type: none"> <li>• Every council should build sustainability into its procurement strategy, processes and contracts.</li> <li>• Every council should conclude a compact with the local voluntary and community sector</li> <li>• Procurement processes for partnerships should include: <ul style="list-style-type: none"> <li>○ Issuing an information memorandum to prospective bidders setting out the background to the project, the council's objectives and an outline of the procurement process and timetable, with roles and responsibilities made clear</li> <li>○ Inviting bidders to demonstrate their track record in achieving value for money through effective use of their supply chain, including the use of small firms; this should continue to be examined as part of contract management.</li> </ul> </li> </ul>
<p>By 2005 (Nine actions)</p>	<ul style="list-style-type: none"> <li>• Every single tier and county council should carry out a health check on progress against this National Strategy and the associated guidance as part of their corporate procurement</li> </ul>	<ul style="list-style-type: none"> <li>• The average time taken from OJEU notice to contract award in a project of more than one year's duration should be reduced by 10 per cent* on the</li> </ul>	<ul style="list-style-type: none"> <li>• Every council should have implemented an appropriate e-Procurement solution as part of its e-Government programme.</li> <li>• For low value purchases, every</li> </ul>	<ul style="list-style-type: none"> <li>• Every council should include in invitations to tender/negotiate for partnerships a requirement on bidders to submit optional, priced proposals for the delivery of</li> </ul>

	<p>strategy.</p> <ul style="list-style-type: none"> <li>Every council should be involved with a regional centre of excellence in procurement and project management.</li> </ul>	<p>2003 base. <b>Still being established.</b></p> <ul style="list-style-type: none"> <li>Smaller district councils without dedicated procurement resources of their own, should be collaborating with others, through the regional centres of excellence, to create shared services for procurement and project management. <b>Taking place via the WMRIEP's HUB.</b></li> <li>Councils should identify opportunities for collaboration with neighbouring councils for shared commissioning and/or delivery of services. <b>Taking place via the WMRIEP.</b></li> </ul>	<p>council should be making appropriate use of a procurement card, the Government Procurement Card (GPC) or a suitable electronic alternative</p>	<p>specified community benefits which are relevant to the contract and add value to the community plan.</p> <ul style="list-style-type: none"> <li>Every council should have signed up to the national concordat for SMEs. <b>To be signed by 1<sup>st</sup> January 2009.</b></li> </ul>
<p>By 2006 (Three actions)</p>	<ul style="list-style-type: none"> <li>Every district council should have carried out a health check on progress against this National Strategy and the guidance endorsed as part of their corporate strategy. <b>Carried out as part of reviewing this Strategy.</b></li> </ul>	<ul style="list-style-type: none"> <li>The average time taken from OJEU notice to contract award in a project of more than one year's duration should be reduced by 25 per cent on the 2003 base. <b>(See above comment).</b></li> </ul> <p>* OJEU notice to signature as a target has been tested in pathfinders</p>	<ul style="list-style-type: none"> <li>Every council should be using an appropriate e-Marketplace. <b>A supplier has been demonstrated but the business case did not constitute value for money for this Council. Will be further considered as the market becomes more established following advice from the WMRIEP.</b></li> </ul>	

## **Appendix 2            Environmentally Friendly Procurement**

### ***Introduction***

The Council has produced and adopted its own purchasing policy; this policy is detailed below. This policy ensures that the Council uses materials that have the least possible impact on the environment, whether in production, delivery, use or disposal.

The aims of the policy are wherever practicable to: -

- Purchase materials from sources that are sustainable, to this end we will ask our suppliers for their environmental policies.
- Develop and implement a policy of waste reduction, reuse and recycling.
- Purchase as little as possible.
- Purchase equipment that is energy efficient.

### ***General Policies***

The Council will have regard to the following in all the purchases it makes:

- **The most durable version that can be afforded** - avoid disposable products: buy products that last longer and can be repaired, reconditioned and / or refilled.
- **Second-hand, reclaimed / recycled products where possible and products which can themselves be reused, reclaimed and recycled** - uses the minimum proportion of raw materials and reduces the amount of waste for final disposal.
- **Products manufactured and packaged simply and transported the least distance** - simple and local products use fewer resources in production and transportation - less packaging means less waste, less storage space and lower costs.
- **Products made from renewable materials and resources** - potentially reduces the scale of environmental impact by acquiring the least environmentally damaging products.
- **Products whose waste residues can be assimilated harmlessly by natural systems** - highly processed or synthetic materials are difficult to break down: micro-organisms can generally assimilate materials derived from plants and animals without too much processing.

### ***Specific Policies***

Specific examples of how the policies are implemented are set out below

#### ***Timber***

The Council will not purchase or specify the use of any tropical hardwood, unless it is essential to obtain a match and an alternative matching material is unavailable.

## ***Protecting the Ozone Layer***

The Council will not buy products that contain ozone-depleting substances or have used those substances in their production and packaging.

## ***Energy Efficiency***

The Council will buy, wherever practicable, the most energy efficient appliances available.

Specifically the Council will therefore buy rechargeable batteries or long life batteries with low mercury content; use low energy lights; ensure that all new personal computer equipment incorporates energy reduction features.

## ***Cleaning materials***

The Council will endeavour to: -

- Only buy cleaning materials (detergents, polishes and disinfectant) which are phosphate free and at least 90% biodegradable;
- Not use products which are petroleum based, or contain the foaming agents NTA or EDTA.

## ***Vehicles***

The Council will specify diesel engines for its commercial vehicles and require low sulphur fuel to be used whenever possible. It will seek to explore the use of alternative means of propulsion, as they become available.

## ***Horticulture***

### ***Peat***

The Council no longer uses peat or peat based products.

### ***Pesticides***

The Council will not use:

- wood preservatives or wood treated with preservations containing pentachlorophenol (PCP), lindane, or tributyltin oxide (TBTO)
- any materials containing UK 'red list' or EC 'black list' chemical

## ***Paper***

The Council wherever possible will only buy paper produced from sustainable and managed woodlands with active replanting schedules, and which does not involve chlorine in its manufacture. The use of paper will be minimised at every opportunity.

## ***Energy Use***

The Council has commissioned an energy audit of its offices. This report has made recommendations which when implemented will lead to a 15% reduction in the carbon dioxide emissions within the office complex. Work to install these energy saving measures will take place during forthcoming alterations to the building.

In addition low energy light fittings have been installed throughout the building at a cost of almost £38,000. These have reduced energy consumption by 35% compared with the old fittings, increased available light by 20% and have a longer working life.

## ***Staff Awareness***

Fundamental to the success of any of the Council's initiatives is the participation and support from the employees. All new staff are given induction training and in future this includes information on the principals of Local Agenda 21 and how everyone can play their part. The Council's training officer will also include relevant information in the regular newsletter to all staff.

## ***Waste***

Wherever possible waste from the Council offices is recycled. Every office has a container for used paper separate from the waste bin, and all of this is recycled. There are also containers situated to the rear of the Council offices for glass and can recycling.

## ***Individual Services***

Every service that the Council provides is reviewed on a regular basis to ensure that it is providing value for money and delivering what the users require. Now, as part of all these reviews, Local Agenda 21 is taken into account and wherever possible delivery plans are amended to ensure that sustainable practices are incorporated. For example it is now a requirement that all refuse collection vehicles only use low sulphur fuel.

## **Appendix 3            Guidelines on Sustainable Procurement**

**NOTE** – For all works or goods supplied over the value of £10,000 per annum.

### **General Commitment**

By implementing these guidelines we intend to procure goods, services and works in a manner that achieves continual and measurable progress in the organisation's environmental performance, whilst reducing environmental impacts arising from operations and maintaining local economic viability.

### **Objectives and Targets**

- To reduce the purchasing of new goods, and procure them only when essential, by cutting down on waste and repairing or reusing existing products, where this is the deemed to be the most sustainable and viable financial option.
- To introduce environmental criteria in 50% of procurement practices by 2010.
- To ensure that no products are procured which contain ozone-depleting chemicals; non- independently certified tropical hardwood, or pesticides on the EU 'Black list'.
- To require service contractors working for and on behalf of the Council to comply with the Council's own environmental standards.

### ***Implementation and Monitoring***

- The supplier questionnaire on the reverse will be used to inform the Council's decisions when awarding contracts.
- The Council's Environmental Management System (EMS) will be used to promote, monitor and inform reviews of this guidelines and associated procedures.
- A representative group of employees from all Portfolios constitute the advisory EMS group, which will undertake the above.
- The Environmental Services Director will report annually to Members via the Council's Environmental Statement. The EMS Project Manager will report on behalf of the EMS Team on a quarterly basis to the Performance Management Group with any matters of concern being forwarded to the Management Team for consideration.
- Technical criteria will be developed to use in the Call for Tenders of Council contracts for works and supplies.

### ***Communication***

- Supporting guidance and resources will be provided to enable effective implementation of the guidelines, as will environmental training and awareness raising tools for staff and members.
- Examples of good practice and other news of note will be published on the Council's Intranet to ensure there is effective communication and knowledge sharing across the authority.
- We will encourage and support suppliers and contractors to help them improve their environmental performance (e.g. to reduce, reuse and recycle their packaging) and thus spread good environmental practice through the supply chain.
- The guidelines will be promoted within the community via the Council website and relevant existing publications.

### ***Continuous Improvement***

- The guidelines, guidance and targets will be reviewed and revised accordingly on an annual basis in order to achieve continuous improvement.
- When contracts are awarded, reviews will be scheduled and performance measures agreed to enable effective environmental performance monitoring.
- Benchmarking will be undertaken where opportunities exist to compare the Council's performance to that of other authorities, public and private sector organisations.
- Procurement standards and processes will be integrated within the EMS, which will provide the mechanism for monitoring performance.

# Suppliers' Environmental Questionnaire

**Environment is one of the key corporate priorities of the Council. South Staffordshire Council seeks to minimise the negative environmental impacts associated with all of its operations.**

Please complete and return this questionnaire with your estimate, quotation or tender.

1. Does your company have an environmental policy committing it to a programme of environmental improvement?

Yes

No

**If "yes" please state below what accreditation you have.**

.....

2. **Does your company have an environmental management system accreditation e.g. ISO14001, EMAS?**

Yes

No

**If "yes" please detail.**

**If "no" please state whether you currently working towards this.**

3. Has your company undertaken a review of the environmental impact of its activities?

Yes

No

4. Do you have an action plan in place to reduce your adverse environmental impacts? For instance, packaging, disposal of waste that cannot be reused or recycled, minimising transport needs, energy and water efficiency, etc.

Yes

No

5. Does your company observe industry best practice standards with regard to environmental matters?

Yes

No

6. Has your company been prosecuted or issued with an improvement notice for infringement of environmental legislation in the last 3 years?

Yes

No

**If YES, please give details of the prosecution or notice – you need not disclose spent convictions.**

7. Please give details on a separate sheet of any specific environmental impacts associated with the product or service being procured and what steps are being taken to minimise them.

## **Appendix 4                      Ethical Procurement**

The Council defines ethical procurement as:

- The direct actions of the Council (the services we provide),
- The by-products of the Council (our waste and pollution),
- The internal conduct of the Council (our policies, treatment of staff etc.), and
- The influence of the Council (investments, suppliers used, support of political parties or operations in certain countries).

These areas are considered alongside their impact on the environment, society, economy and compliance with legislation.

Ethical Procurement means not only considering the type of products that we buy but also buying and using fewer resources. Where possible equipment will be repaired or reused, which saves money on the purchase of replacements and the disposal of the equipment.

We shall ensure that ethical standards are applied to all purchases made within the Council whether that be a multi-million pound capital investment, the choice of paper for the printer or furniture for the office. We shall endeavour to embed these at all levels within the Council with support from the senior management team.

To show our commitment to the conditions of farmers and communities in the developing countries, this Council supports the principles promoted by Fair-trade and will work to achieve Fair-trade status. In doing so, we will work with the Council's providers, contractors and within the community to raise awareness and encourage the promotion and procurement of Fair-trade products.

### **Fair-trade**

We will:

- Serve Fair-trade tea and coffee at our Council Offices.
- Promote awareness of fair trade issues and make educational and publicity information available to Council employees, other local authorities and their employees, businesses, voluntary organisations, schools and local people, through the Council's own communications channels/publications and through its various partnerships and links, concerning the worldwide impact of unfair trade and the opportunities that Fair-trade provides to promote sustainable development.
- Develop the Council's procurement arrangements in regard to corporate social responsibility to include sustainability matters such as fair trade.

- Encourage local businesses and organisations (including the voluntary sector and charities) to apply for Fair-trade Friendly Accreditation.

## **Ethical Trade**

As a Council we shall also endeavour to support the principles of ethical trade or ethical sourcing. This means the assumption of responsibility by the Council for the labour and human rights practices within our supply chain. Ethical sourcing tries to ensure that decent minimum labour standards are met in the production of the whole range of a product, whereas fair-trade is primarily concerned with the trading relationship.

We will also ensure all our officers apply with the principals of the Chartered Institute of Purchasing and Supply code of ethics, as reproduced below. These will be incorporated in to the Council's Constitution.

## **Code of Ethics for Officers**

1. Officers will undertake to work to exceed the expectations of the following Code and will regard the Code as the basis of best conduct in the Purchasing and Supply profession.
2. Officers should seek the commitment of their employer to the Code and seek to achieve widespread acceptance of it amongst their fellow employees.
3. Officers should raise any matter of concern of an ethical nature with their immediate supervisor or another senior colleague if appropriate, irrespective of whether it is explicitly addressed in the Code.

## **Principles**

4. Officers shall always seek to uphold and enhance the standing of the Purchasing and Supply profession and will always act professionally and selflessly by:

- Maintaining the highest possible standard of integrity in all their business relationships both inside and outside the organisations where they work;
- Rejecting any business practice which might reasonably be deemed improper and never using their authority for personal gain;
- Enhancing the proficiency and stature of the profession by acquiring and maintaining current technical knowledge and the highest standards of ethical behaviour;
- Fostering the highest possible standards of professional competence amongst those for whom they are responsible;

- Optimising the use of resources which they influence and for which they are responsible to provide the maximum benefit to their employing organisation;
- Complying both with the letter and the spirit of:
  - o The law of the country in which they practise;
  - o Institute guidance on professional practice;
  - o Contractual obligations;

5. Officers should never allow themselves to be deflected from these principles.

## **Guidance**

6. In applying these principles, officers should follow the guidance set out below:

1. Declaration of interest - Any personal interest which may affect or be seen by others to affect a member's impartiality in any matter relevant to his or her duties should be declared.

2. Confidentiality and accuracy of information - The confidentiality of information received in the course of duty should be respected and should never be used for personal gain. Information given in the course of duty should be honest and clear.

3. Competition - The nature and length of contracts and business relationships with suppliers can vary according to circumstances. These should always be constructed to ensure deliverables and benefits. Arrangements which might in the long term prevent the effective operation of fair competition should be avoided.

4. Business gifts - Business gifts, other than items of very small intrinsic value such as business diaries or calendars, should not be accepted.

5. Hospitality - The recipient should not allow him or herself to be influenced or be perceived by others to have been influenced in making a business decision as a consequence of accepting hospitality. The frequency and scale of hospitality accepted should be managed openly and with care and should not be greater than the member's employer is able to reciprocate.

## **Decisions and Advice**

7. When it is not easy to decide between what is and is not acceptable, advice should be sought from the officer's supervisor or another senior colleague.