



SCRUTINY COMMISSION – 18 JUNE 2008

PROGRESS REPORT ON 'PROCUREMENT AND THE ENVIRONMENT'

JOINT REPORT OF THE DIRECTOR OF CORPORATE RESOURCES AND DIRECTOR OF COMMUNITY SERVICES

Purpose

1. The purpose of the report is to update the Commission on the progress in implementing the Environmental Purchasing Action Plan. This Plan aims to ensure that environmental considerations are built into the Council's future procurement policy and decisions, so that the Council can demonstrate and promote good environmental practice in its role as a community leader.

Background

2. The Action Plan was developed following the first block of work on 'Procurement and the Environment' undertaken by the Scrutiny Review Panel established to consider the County Council's environment policies and programmes. The Action Plan was agreed by the Commission in December 2007 and subsequently approved by Cabinet in January 2008.
3. The Commission agreed that it should receive a report prior to each of the deadlines in the Action Plan in order to satisfy itself that commitments in the Plan are being met.
4. Delivery on this Action Plan will help deliver the LAA target of 8% reduction in CO2 emissions from Council operations by December 2010 (national indicator no. 185). Responsibility for delivery of this target is now with a Project Management Board following a recent successful application to the Carbon Trust to participate in the Carbon Management Programme.

Progress Report

5. Good progress has been made in achieving the targets as detailed in the attached Appendix. The immediate actions for March 2008 have all

been achieved and work is currently underway on delivering the September 2008 actions.

6. Workshops on Environment Risk Assessment and Management took place for Cabinet, Scrutiny Members and the Chief Officers' Corporate Management Team in February 2008 followed by an environmental review of the Council's purchasing spend categories to identify the potential risks and impacts. This identified 10 environmentally-significant purchasing categories, where environmental considerations need to be incorporated into the procurement process as a core requirement, including Building and Civil Engineering, Social Care services, Waste Management, Utilities and various Corporate Services/Commodities (food and catering, ICT consumables, print/reprographics and cleaning materials). Immediate action is being taken to pilot the environmental procurement methodology with the Facilities Management tender, so that the results can be shared and promoted for wider use.
7. An environmental purchasing policy has been drafted for targeted consultation with external partners/agencies and key suppliers prior to the approval of Cabinet in September 2008. This policy aims to ensure that the goods, works and services the Council procures are produced, delivered and used in an environmentally responsible manner and that the Council manages proactively the associated environmental risks.
8. Environmental purchasing guidelines have been developed for inclusion in the Council's overall procurement guide to help officers ensure that their day-to-day purchasing decisions reflect the draft environmental purchasing policy. These guidelines will continue to be updated to respond to changing legislation, policy and increasing data availability. These guidelines also include an environmental audit tool to identify those contracts with significant environmental risks.
9. The next stages of the Action Plan involve:
 - finalising a staff training programme (under development) to disseminate the environmental purchasing policy and guide to staff and raise awareness of the environmental risks associated with procurement categories and how to minimize these;
 - investigating and selecting methods to assess whole life costs for contracts with significant risks;
 - developing performance indicators to monitor the Council's environmental purchasing performance;
 - undertaking the planned work with key suppliers to improve environmental performance.

Recommendations

10. (a) That the progress to date in implementing the Environmental Purchasing Action Plan be noted;

- (b) That the Commission receives a further progress report in December 2008 on the remainder of the Action Plan.

Circulation under Sensitive Issues Procedure

The report relates to improvements in the Council's environmental purchasing approach and as such there are no issues affecting particular local members or areas.

Equal Opportunities Implications

None specifically

Environmental Impact

Achievement of each of the targets in the Environmental Action Purchasing Plan will mean a positive contribution to the Authority's long term goal of significantly reducing its carbon footprint.

Officers to Contact

Fiona Holbourn, Tel – 0116 3056185, Email – fholbourn@leics.gov.uk
Peter Williams, Tel - 0116 3057080, Email - pwilliams@leics.gov.uk

Background Papers

Report of the Review Panel on the County Council's Environment Policies and Programme – 'Procurement and the Environment', to the Scrutiny Commission on 19 December 2007 and Cabinet on 15th January 2008.

Appendix

Environmental Purchasing Action Plan 2007 – 2009: Summary of Progress

Appendix**Environmental Purchasing Action Plan 2007 – 2009: Summary of Progress**

| ACTION | TARGET DATE | STATUS | COMMENT |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Achieve the planned environmental review of the Council's activities, products and services to identify significant risks and impacts. | March 2008 | Achieved | Environmental Risk Assessment completed for each of Council's purchasing spend categories/sub-categories |
| Deliver the planned Environmental Purchasing Policy and Guidance to give priority to significant risks identified and guide staff purchasing decisions. | March 2008 (draft for consultation) | Achieved | Draft policy being presented to Corporate Management Team in June 2008 for targeted consultation process prior to seeking Cabinet approval in September 2008 |
| Provide training and promotion initially to key procurement staff and then all procurement staff of the Environmental Purchasing Policy and Guidance. | September 2008 | In progress | Training being initially targeted at Category Managers. Future training to be scheduled for Procuring Officers and for all new staff (as part of their induction) |
| Develop an environmental audit tool to identify contracts with significant environmental risks. | September 2008 | Achieved | The environmental review matrix doubles as an audit tool for assessing contracts |
| Investigate and select methods to assess whole life costs for contracts with significant risks. | March 2009 | Not yet started | The East Midlands Regional Improvement and Efficiency Partnership is bidding for funds to progress a Sustainable Procurement project (on behalf of all councils in the region), which has the same Mar 09 milestone for this task . |
| Develop performance indicators to monitor our environmental procurement | March 2009 | Not yet started | The performance indicators are expected to form an integral part of the Council's Performance Management Assessment Framework in the future |
| Undertake the planned work with our key suppliers to help them improve their environmental performance | September 2009 | Not yet started | This forthcoming initiative will be publicised during the 2008 key supplier event to reinforce the importance of the Council's environmental purchasing priorities. |