

SUSTAINABILITY CABINET COMMITTEE

Agenda Item 25

Brighton & Hove City Council

Subject: Procurement Code of Practice - Sustainability

Date of Meeting: 19 January 2009

Report of: Interim Director of Finance & Resources

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Key Decision: No

Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The purpose of this report is to introduce the revised Procurement Code of Practice for Sustainability, which sets out the council's approach to sustainable procurement.

2. RECOMMENDATIONS:

- 2.1 (1) That the Cabinet Committee notes the principles within the revised Code of Practice outlined in Appendix 1.
- 2.2 (2) That the Cabinet Committee approves and endorses the revised Code of Practice.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Code of Practice was originally created in 2002. Since this time, there have been a number of Central Government initiatives that have been implemented as a result of an increasing awareness of the importance of sustainability.
- 3.2 The new Sustainability Code of Practice focuses on the following key areas:
- **Central Government** – are advising authorities to focus on key areas of spend which will have the greatest impact on carbon, water & waste.
 - **Responsible Procurement** – this section promotes the purchase of supplies, services and works in an environmentally and socially responsible way that delivers value for money and brings benefits to the citizens of Brighton & Hove.

- **Waste Reduction & Recycling** – are key areas for consideration in any procurement activity. The Code of Practice highlights how the private sector has, through its drive to reduce costs, achieved sustainable benefits.
- **Supply Chains & Supply Markets** – there is a need to encourage Contract Officers to look and understand ‘the bigger picture’ when participating in a procurement activity.
- **Social and Economic Benefits** – the Code of Practice outlines the potential benefits of spending money locally, known as the local multiplier effect.
- **Checklists** – the Code of Practice also includes a number of easy to follow checklists to support Officers when conducting procurement exercises.

4. CONSULTATION

- 4.1 Consultation has taken place between Corporate Procurement & the Sustainability Team.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The council’s Medium Term Financial Strategy sets out the financial plans over a 3 year period. One of the financial planning principles for meeting savings within the financial strategy is to deliver Value for Money through sustainable procurement savings. The Sustainability Code of Practice will support the delivery of these savings across council services.

Finance Officer consulted: James Hengeveld Date: 14/10/08

Legal Implications:

- 5.2 The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual’s Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer consulted: Sonia Likhari Date: 04/11/08

Equalities Implications:

- 5.3 The Sustainability Code of Practice sets out the council’s commitment to promote equality via corporate purchasing and procurement processes. This is an important element of the council’s progress as measured by the Equalities Standard.

Sustainability Implications:

- 5.4 The Sustainability Code of Practice highlights how sustainability issues should be considered during all council procurement activity. It provides commitment towards the council’s overall commitment to sustainability and to carbon emissions reduction targets. These are outlined in the wider

corporate commitments including the Sustainability Strategy, Carbon Management Programme and Climate Change Action Plan.

Crime & Disorder Implications:

- 5.5 The Sustainability Code of Practice promotes supporting the local economy by encouraging contractors to employ and train local people. By lowering unemployment and promoting opportunities within the City, this may have a positive impact on crime and disorder.

Risk and Opportunity Management Implications:

The role of risk management is key when assessing all possible procurement activities within the council. There is increased financial, service and reputational risk if Contract Officers do not follow the procurement best practice.

Corporate / Citywide Implications

The Code of Practice highlights the benefits that local sustainable procurement can bring to the local economy.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Not applicable.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Committee is asked to note and approve the Sustainable Code of Practice to ensure that best practice procurement is adopted across the council.

SUPPORTING DOCUMENTATION

Appendices:

1. Procurement Code of Practice - Sustainability

Documents In Members' Rooms

None

Background Documents

None

