

Orbis Environmentally Sustainable Procurement Policy

Introduction

Orbis Procurement is a public sector shared procurement service between Surrey County Council, East Sussex County Council and Brighton & Hove City Council (the Councils). Each Council is committed to ensuring their operations are environmentally sustainable and resilient to future change. The Councils recognise that a healthy and properly functioning natural environment is the foundation of a thriving economy, employment stability, prospering communities and personal wellbeing. The Councils are aware that their procurement of goods, works and services will have environmental implications, both in their respective local areas and around the planet and, as a result, the Councils are actively working to reduce and minimise these negative effects where possible. This policy will set out the Councils' expectations of prospective suppliers in line with their own environmental commitments.

Environmentally sustainable procurement is the commissioning, purchase and management of goods, works and services in a way that reduces or negates negative environmental impacts within the supply chain. This policy considers four interconnected focus areas of environmentally sustainable procurement (detailed definitions can be found at the end of this document):

- Climate Change Mitigation and Adaptation;
- Prevention of Pollution;
- Sustainable Resource Use and Consumption; and
- Protection and Restoration of Biodiversity.

As a result of this policy, environmental considerations will be built into the procurement and delivery of goods, works and services through specifications, tender questions, evaluation criteria, key performance indicators and clauses of contracts.

Each of the Orbis Procurement Councils have declared a Climate Emergency and have set themselves ambitious targets to achieve net zero carbon emissions. Local Authority supply chains are estimated to account for up to 90% of their total carbon footprint. Emissions from goods, works and services procured by the Councils form part of the "scope 3" emissions of each Authority and, where possible, we are seeking to decarbonise these in line with Council specific carbon reduction targets. In addition, the Councils' have each committed to improve biodiversity, recover natural capital or enhance the natural environment. The procurement of goods, works, and services have been identified as a Strategic Priority to drive significant carbon reductions and improve the natural environment.

For more information on specific targets and ambitions for each Authority, please refer to the relevant Authority's website.

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Scope and Aims

The scope of this policy covers each of the Councils' expectations of prospective suppliers in procurement activities performed by the Councils including commissioning, procurement and contract management.

This policy aims to minimise negative and promote positive environmental impacts, where possible, within each Councils' supply chain. This will be done by:

- Engaging with the market to identify opportunities and encourage innovative solutions;
- Evaluating environmental implications and their relation to Council targets in commissioning, design and procurement processes including qualification and evaluation of bidders;
- Building environmental commitments and targets into relevant supplier contracts, these may include carbon focused outcomes that align with the Councils' carbon targets for example;
- Monitoring and measuring supplier performance against contractual environmental commitments;
 and
- Seeking opportunities for continuous improvement with suppliers throughout the life cycle of the contract.

This policy is part of a wider policy through procurement approach and is complementary to social value and fair working practices within procurement; please refer to the Councils' websites for developments in these areas.

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Expectations

Where relevant and appropriate to the contract and decided on a case by case basis, the Councils expect prospective suppliers to:

Climate Change Mitigation and Adaptation

- Provide requested information and details of environmental impacts (including carbon emissions scopes 1 and 2 with estimations on scope 3), corporate commitments and plans for improvement during the procurement process;
- For applicable projects, Carbon Reduction Plans must be submitted, when requested during the tendering process, in line with the Procurement Policy Note 06/21.
- Meet requirements for environmental impact improvement and reporting (such as carbon
 emission reduction) which have been built into the specification of contracts, where appropriate,
 and measure and report on these requirements throughout the contract lifetime, taking corrective
 and remedial actions if necessary;





- Commit to mitigating impact on climate change throughout operations through carbon reduction initiatives as well as encourage and support this practice throughout their own supply chains;
- Minimise the transport requirements associated with any contract through local sourcing and servicing, efficiency improvements or transport alternatives (such as using postal services, active transport or electric vehicles) to minimise air pollution and carbon impact of transport operations;
- Use and procure energy-efficient processes, products, buildings and services and source electricity from renewable energy sources, green energy tariffs and low carbon fuels;
- Ensure that goods, works and services take into account changing weather impacts as a result of climate change (such as severe storms, heat waves and flooding) so that they are well adapted and resilient:

Prevention of Pollution

- Avoid Follow the waste hierarchy, avoid and minimise consumption and waste through smart
 design and innovation where products, packaging and assets can be easily reused, repurposed,
 repaired or recycled (removing single-use plastics, where there are suitable alternatives) without
 jeopardising the quality of products or services provided;
- Treat and manage waste following all legal requirements and industry best practice throughout the supply chain;
- Implement measures to eliminate the escape of pollutants and waste, including litter, associated with service delivery;
- Determine and minimise the risk of negative water impact, with particular focus on water use, waste water and discharges into the water system;

Sustainable Resource Use and Consumption

- Adopt and promote the waste hierarchy and circular economy principles throughout product life
 cycles with considerations to making and using products made from non-virgin, repurposed and
 local materials (where possible);
- Make, use and promote products made from natural, biodegradable and renewable materials
 where appropriate and avoid the use of toxic chemicals and products that are not cruelty-free;
- Where possible and appropriate, avoid the use of materials which are scarce or at risk of becoming so (such as rare earth elements) and find sustainable alternatives;

Protection and Restoration of Biodiversity

 Avoid and minimise the use of products, chemicals and materials that cause habitat destruction and degradation (such as deforestation for palm oil), demonstrating industry certifications where appropriate;





- Commit to remove adverse effects on biodiversity and natural habitats, avoiding damage and achieving measurable, long-term and secured biodiversity net gain and restoring natural capital, when possible;
- Support and promote use of products, materials and services that protect and enhance native biodiversity;
- Source sustainable, organic and local food and drink, avoiding unsustainable fishing and farming practices, in relevant catering contracts;

Cross Cutting Requirements

- Declare any related organisational Environment Agency enforcement actions, or actions taken by similar bodies, within the previous 3 years as a result of environmental incidents or breaches in environmental permits and any associated remedial actions;
- Comply with all relevant and applicable national and international environmental legislation, regulations and policy, following related government guidance;
- Increase organisational understanding in the importance of the environment and approaches to minimise negative impacts through staff training and, where appropriate, supplier training;
- Continue to explore innovative solutions to reducing or negating environmental damage as well
 as promote environmental improvements during the lifetime of contracts; and
- Seek opportunities to work with the Councils to improve mitigation efforts on environmental impacts.

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Compliance

Prospective suppliers may be asked to provide evidence of environmental initiatives, credentials, industry certifications, plans or commitments at the tender stage (environmental obligations and related KPI's will be contained clearly in the tender documentation) and contract delivery stages. Depending on the procurement, failure to provide these may result in lost scoring opportunities or exclusion from prequalification or tender.

_The Councils recognise that not all suppliers will currently be able to provide data, credentials, plans or commitments to environmental initiatives due to multiple reasons, such as organisational maturity or size. As a result, the Councils will aim to work collaboratively with these organisations to understand what options could be taken to support the supplier and improve any environmental considerations, both during the tender process and progressing through the lifetime of contracts. Where it is decided that the Council will work with a provider to assist in implementing environmental changes to the service, methods for how the Council will do this will be included in the tender documentation. However, the Councils will look to gradually increase and improve environmental considerations in future procurement activity as suppliers and sectors grow in environmental maturity.





The Councils will aim to set performance measures that are proportional and relevant to the contract. Suppliers are expected to meet all performance measures which are built into the contract and will be required to evidence progress on their environmental commitments, which may include reporting on information from other parties in their supply chain (scope 3 emissions and material sources for example). If there is continued or significant failure to meet performance measures and sustainability obligations, remedial actions will be taken. This may include, but is not limited to, requests for approved carbon offset project payments, payment reductions, or lastly, contract termination.

In the unlikely event of any significant environmental incident in the supply chain, the supplier is obligated to inform the respective Council as soon as possible. If a supplier is responsible for significant environmental damage (such as a chemical spill or illegal dumping) due to negligence or disregard within their operations, the Councils will take remedial actions and may seek remedies for incurred costs and retain the right to terminate the contract with the offending supplier if necessary.

Suppliers are encouraged to raise any environmental concerns, feedback or improvement opportunities they have identified with the respective Council. Where viable, the relevant Council will seek to explore and action environmental improvement opportunities with suppliers.

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Definitions

Biodiversity_— Biodiversity describes the variety of all life on Earth, in all its forms, interactions and interconnectedness. It incorporates all habitats and species, both rare and common, and includes genetic diversity within species.

Circular Economy-_ A model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible. In this way, the life cycle of products is extended.

Climate Emergency—A declaration made by an organisation committing it to take urgent action to reduce greenhouse gas emissions and detrimental actions affecting the stability of the climate. Without action to help mitigate and reverse the effects of climate change, the impacts will be felt across the country, which will affect our services and our most vulnerable residents.

Cruelty Free- – Manufactured and developed by methods which do not harm animals.

Environment Agency Enforcement Actions—Formal cautions and prosecutions carried out by the Environment Agency to enforce laws and permits that protect the environment.

Environmental Maturity—An organisation's ability to implement more ambitious, complex, robust and resilient environmentally conscious practices. Maturity differs among organisations and industries because of the unique obstacles they each must overcome.





Greenhouse Gases_– A gas that contributes to the greenhouse effect and climate change by absorbing infrared radiation. Carbon dioxide, methane, nitrous oxide and chlorofluorocarbons are examples of greenhouse gases.

For simplicity in this policy, we use the term 'carbon' as shorthand for all greenhouse gases.

Natural Capital_- Stocks of the elements of nature that have value to society, such as forests, fisheries, rivers, biodiversity, land and minerals. Natural capital includes both the living and non-living aspects of ecosystems.

Net Zero-_ Achieving a balance between the carbon emitted into the atmosphere, and the carbon removed from it. This balance will happen when the amount of carbon we add to the atmosphere is no more than the amount removed. Emissions are removed in line with the latest climate science and 1.5°C trajectory.

Scope 1 Carbon Emissions— Those emissions that an organisation makes directly. For example, emissions from fuel that is directly used while running boilers and vehicles.

Scope 2 Carbon Emissions— Emissions coming indirectly from an organisation. This is mainly the generation and distribution of electricity the organisation buys from the National Grid.

Scope 3 Carbon Emissions— Emissions associated with the goods, works and services that are produced elsewhere but consumed by the organisation. This category includes all the emissions the organisation is indirectly responsible for, up and down its supply chain.

Significant Environmental Incident—An event that would need to be reported to the Environment Agency, or similar national body, or where damage is of a nature or quantity which poses a threat to the health or safety of humans, animals or vegetation that is not expected to dissipate within twenty-four hours either naturally or by human intervention.

<u>Waste Hierarchy</u> – The "waste hierarchy" ranks waste management options according to what is best for the environment. It gives top priority to preventing waste followed by preparing it for re-use, then recycling, then recovery, and last of all disposal (e.g. landfill).

