

CIPFA\



CIPFA / ADEPT webinar: Sustainable procurement for places

31 March 2021

The Chartered Institute of
Public Finance & Accountancy

Speakers

- Mohamed Hans, Solicitor, Advisor, CIPFA Procurement & Commissioning Network
- Carolyn McKenzie, Director for Environment, Surrey County Council



Speakers

- Neil Gibson, Director, Neil Gibson Consulting
- David Ogden, Business Director, Transport Infrastructure, Amey





Getting to Grips with Sustainable Procurement for a Better Tomorrow

Mohamed Hans
Solicitor
Advisor
CIPFA Procurement & Commissioning Network

The Chartered Institute of Public Finance
& Accountancy

Procurement and Commissioning Network

The CIPFA Procurement and Commissioning Network (CPCN) offers critical and timely guidance, documentation and training on the key issues affecting public sector procurement and commissioning as they develop.

Your advisor – Mohamed Hans – will provide you with expert advice on EU and UK procurement legislation during a period of constant change in the public sector.

You can also download the [network's service plan](#).

And have you joined the conversation yet in CIPFA's lively [discussion forums](#)? You can support your peers and pose your own questions.

Meet your advisor

Mohamed Hans, Procurement Advisor, CIPFA Procurement & Commissioning Network (CPCN)

[LinkedIn Profile](#)



Mohamed Hans joined CIPFA in 2004 after working as a senior commercial solicitor for a number of West Yorkshire local authorities. He is an expert on the European Public Procurement Rules and has written extensively on this topic as well as developed widely used practitioner toolkits. He is also invited to speak at conferences (UK and abroad) and is often the first point of contact for practitioners understanding complex procurement issues. He manages the CIPFA Procurement & Commissioning Network which has nearly 100 member authorities. E: mohamed.hans@cipfa.org, T: 01924 461825.

Latest content

[Start off on the Right Foot - Developing Effective Specifications](#)
09 April 2020

[What does best practice contract management look like?](#)
07 April 2020

[Managing TUPE Pitfalls in Tenders, Outsourcing & when Setting up Trading Companies](#)
15 October 2019

Latest events

[Introduction to Public Procurement](#)
21/04/2020, Webinar

[NEC3/4 Engineering and Construction Contract and COVID-19 Webinar](#)
30/04/2020, Webinar

[Getting Your Contracts Right In A Crisis - 4 Steps To Better Contracts Webinar](#)
06/05/2020, Webinar

[See all events](#)

Key Benefits

Free attendance at events using PP
Newsletters
Technical Advice
Briefing Notes
Templates

Forthcoming Events

Introduction to the NEC4 Engineering and Construction Contract for Public Sector Practitioners – 20 April 2021

All You Need to know about Framework Agreements, Dynamic Purchasing Systems, and more – 28 April 2021

Optimising Outcomes from Procurement and Partnering for Covid-19 and Beyond

<https://www.centreforpartnering.org/covid-19-and-beyond-lessons-from-the-crisis/>

Session outline

In this Session:

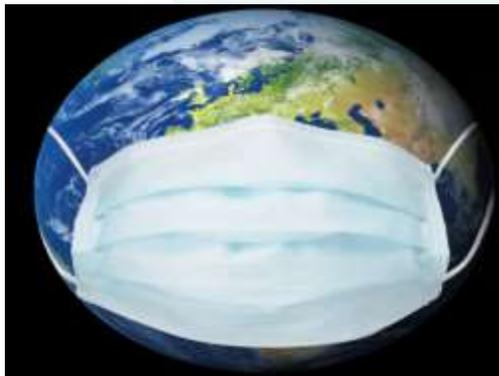
- Explore our understanding of sustainable procurement
- Look at the drivers for sustainable procurement
- Examples of what the public sector is doing
- Consider potential way forward

75% of UK's
local councils
have declared a
'climate
emergency'

More than 50%
have set a goal of
achieving net-
zero carbon
emissions by
2030 or earlier

Procurement's critical business role

- Realisation procurement is not an administrative support, but an essential service
- Without procurement, public bodies would not have personal protective equipment (PPE), temporary mortuary facilities, vital food supplies to feed vulnerable people or laptops to enable homeworking
- Procurement's role to help preserve bottom line
- Procurement teams will play critical and important role delivering the climate change agenda for public bodies



Investigation into
government procurement
during the COVID-19
pandemic



National Audit Office

What – Sustainable Procurement...?

“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 to society and the economy, whilst minimising damage to the environment”.

Why does it matter?

- The public sector procurement spend
- Global pressure
- Supply chain challenges
- Corporate social responsibility
- Green paper proposals
- PPN 06/20 - Taking account of social value in the award of central government contracts
- SPPN 1/2021 - Taking account of climate and circular economy considerations in public procurement

It's not just about carbon...!

Resources

- If the whole world lived like Western Europe we would need 3 planets resources to sustain life

Inequality

- 30% of the UK population has a physical or mental disability
- 4.3M children were living in poverty in the UK in 2019/20
- Criminologist predict that street crime will rise with increasing temperatures

Health

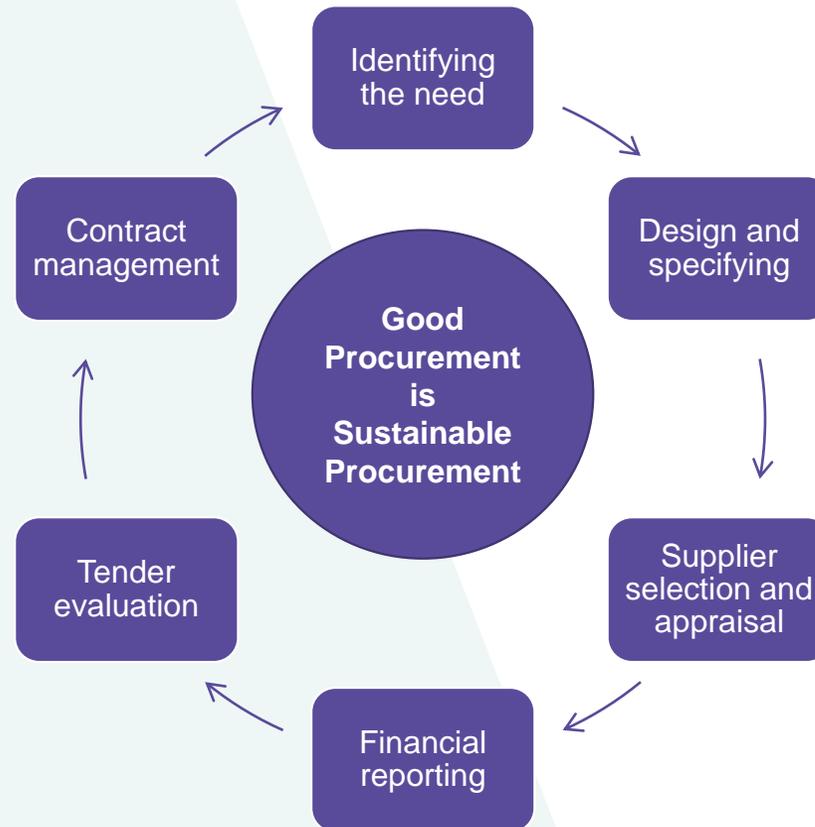
- UK childhood obesity is increasing at the same rate as the USA, we are breeding a generation that will have a shorter life expectancy than their parents
- Average male life expectancy in Tower Hamlets is 7 years shorter than Kensington

Waste

- Landfill capacity is likely to be non-existent within 10 years

Driving, shaping, and working with the market

Sustainability can be incorporated into the whole procurement lifecycle:

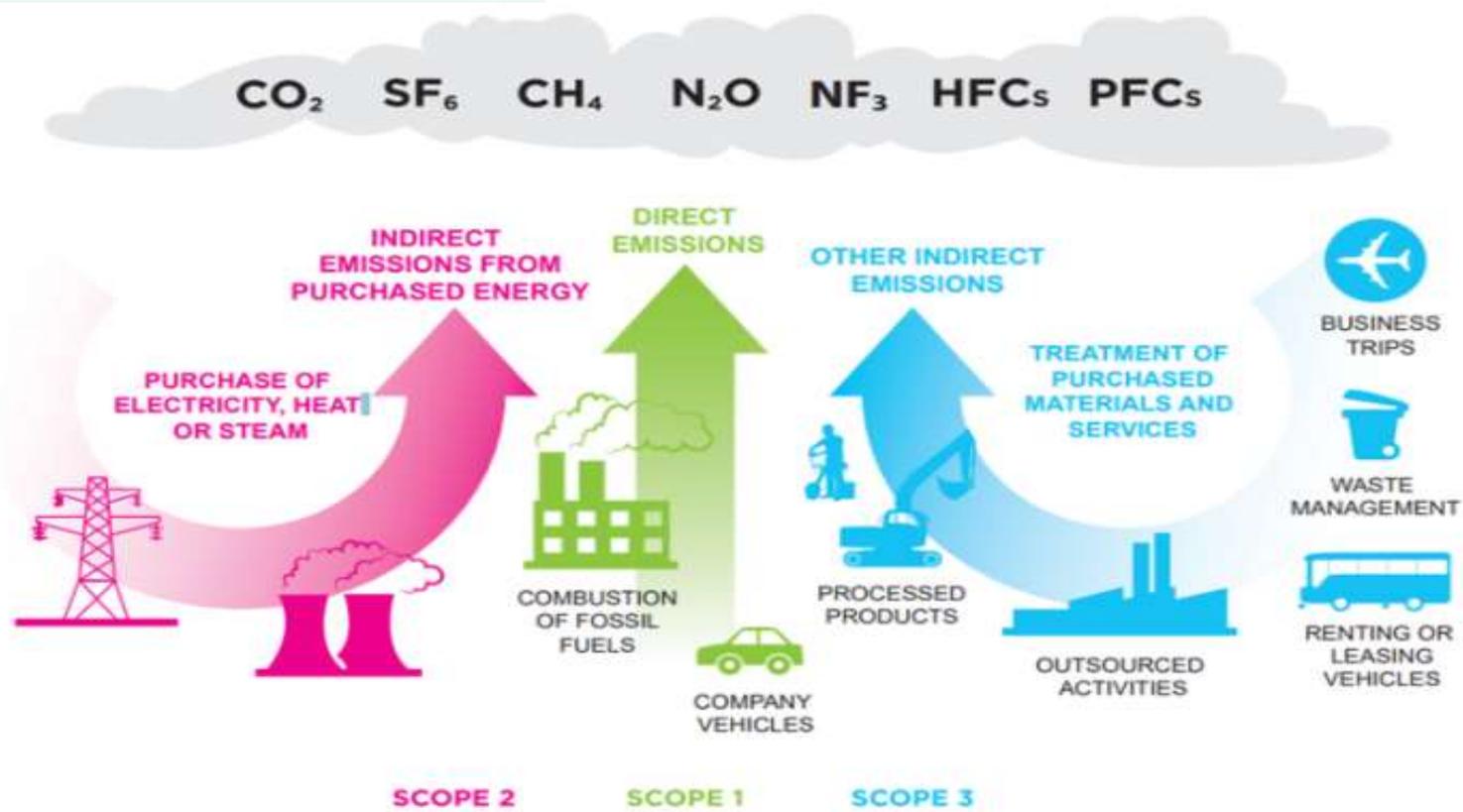




Sustainability issues – perceptions & reality

- Sustainability requirements can be specified, but must be relevant
- Must be sufficiently precise to allow bidders to understand the requirement and to allow award of the contract
- Green production standards and relevant aspects of eco-labels can be specified but alternatives which demonstrate equivalence must be considered
- Special (including environmental and social) conditions relating to the performance of a contract may be specified if:
 - stated in contract notice or in the specification
 - relevant to the contract

Beware: The role of technology



Source: Savemoneycutcarbon

The point of no return?

“The Earth is like your mother; you came from it and you will return to it.”

If we do not act now, the struggle for food will drive animals to extinction and humans to despair

. "In nursery school we're taught to share, to cooperate and be nice to each other. Then in business school we're taught to rip each other's throats out. There's some kind of disconnection here."

John Sellers



If you have any questions please contact:

CIPFA

Mohamed Hans

Solicitor

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Twitter: [@Cprocurement](https://twitter.com/Cprocurement)

Green Procurement ??

'seeing absolutely everything you ever commission, buy or deliver through the lens of climate emergency, ecological emergency, circular economy, natural capital, fuel poverty.....'

Carolyn McKenzie

Director for Environment – Surrey County Council

...AKA



The size of the prize ...



Why:

- Procurement in an organisation of 23,000 employees is complex and impacts all areas.
- Local Authorities can influence supply chains - Surrey County Council have an annual budget of over £1billion in a county-wide economy of around £40billion.

Our Team:

- Employees of Surrey County Council, Elmbridge Borough council and Orbis*
- Specialists in procurement, commissioning, policy, transformation and climate change

Outcomes:

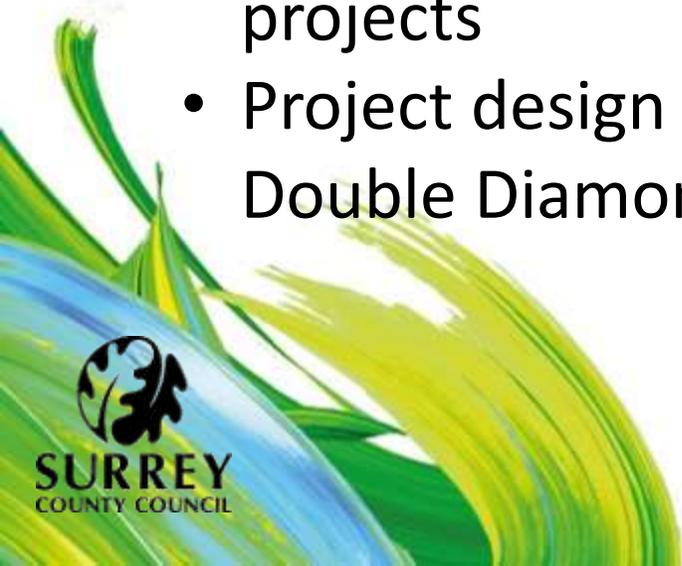
- Embed environmental considerations in all procurement decisions whilst maintaining quality and value of service
- Develop project design capability in our organisations
- Develop a network of local authority green procurement experts throughout the UK

Deliverables: policy, framework and a suite of documents

**Orbis is a shared services partnership between Brighton and Hove City Council, East Sussex County Council, and Surrey County Council*

Design in the Public Sector Programme

- Organised by the Design Council and Local Government Association
- Six month programme of workshops and coaching sessions
- The focus this year is climate change
- Nine local authority teams developing nine individual projects
- Project design experts work with teams using the Double Diamond approach to design





PROCUREMENT

IT'S
~~LIFE JIM~~
BUT NOT
AS WE
KNOW IT

... it is not...

- A greener procurement – staples but made from recycled metal...
- Just a different type of commissioning with a checklist – the carbon value is ?????
- About whizzier types of tech, though it has a role
- Just about saying do you really need that – though again very important

.... It is about...

- Linking strategy, policy, demand, need, opportunity
- It is about different ways of delivering – ‘co commissioning, joint ventures’
- Services rather than products
- It is about those that say YES making the LINK

... and **it is** a totally new way of working...

- Work across budgets....



- Work across organisations



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- work with the private sector and communities

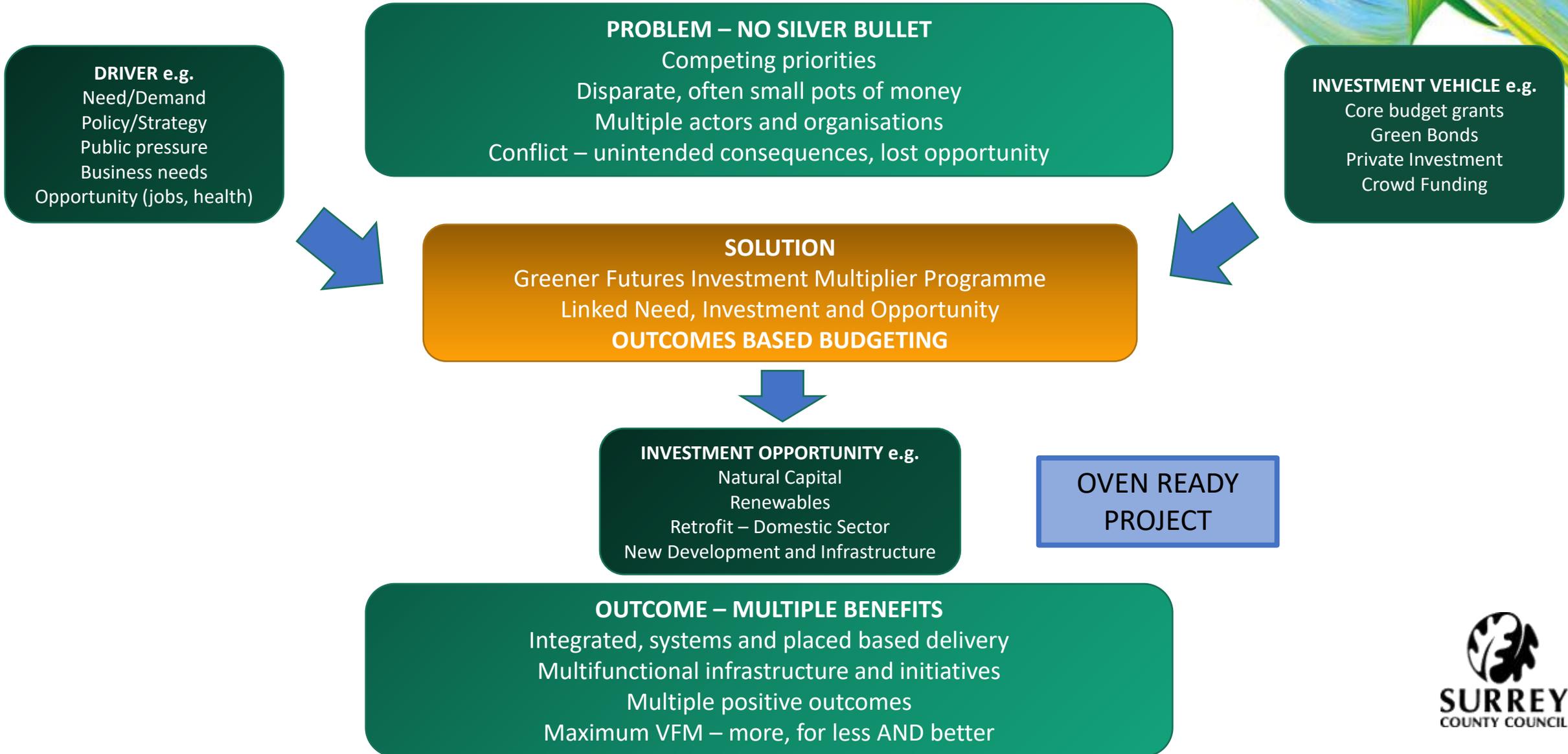


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... and a totally new way of financing ...

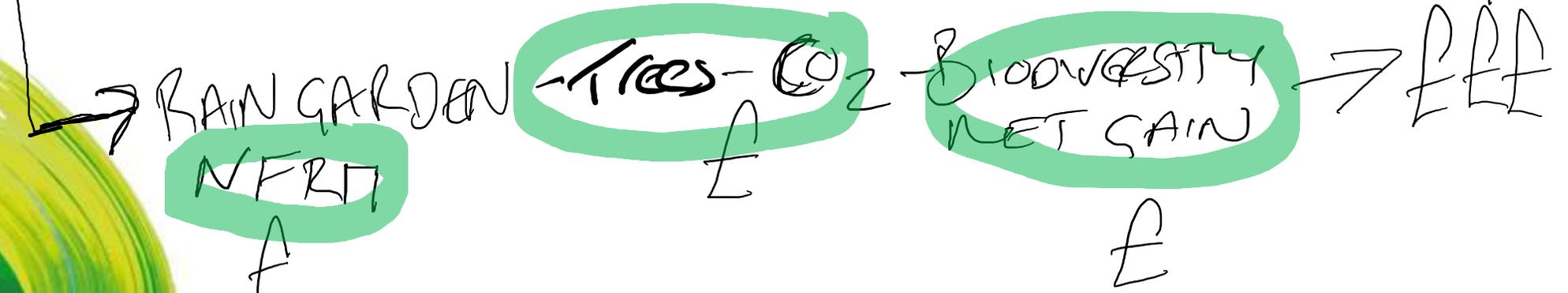
Greener Futures Investment Multiplier Programme



New Road



INTELLIGENT HIGHWAY.
NO CONGESTION
DOES NOT FLOOD OR MEET
DOES MORE THAN ONE JOB.



River Thames Scheme



PROTECTING our com
SECURING our econor
ENHANCING our Thar



Physical inactivity in England is estimated to cost the economy around £8.2bn per year



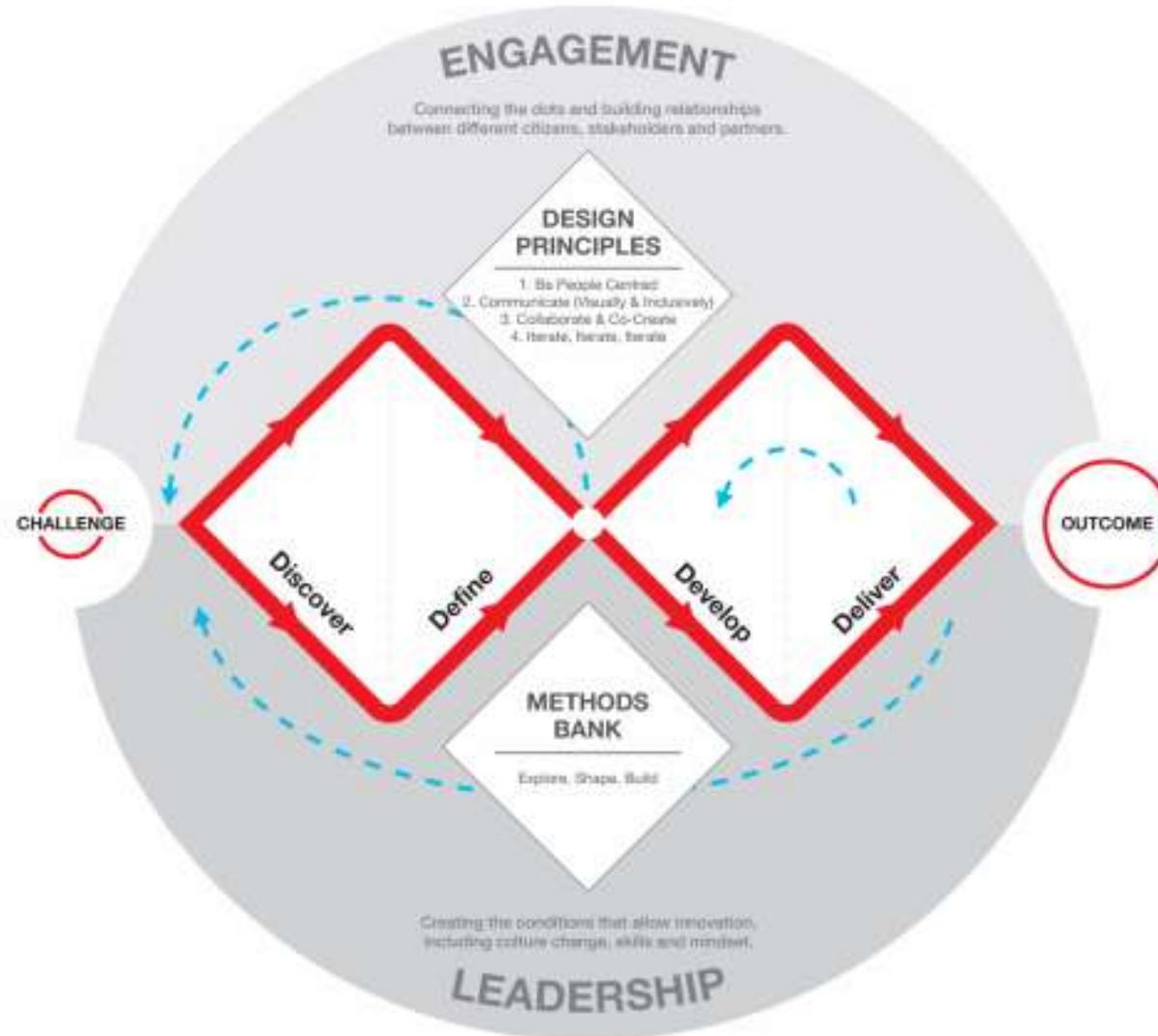
Inactive people visit GPs 5.5% more often than active people, and spend 37% more days in hospital



Blood pressure and muscle tension have been shown to decrease through time spent in nature



Double Diamond



Work to date



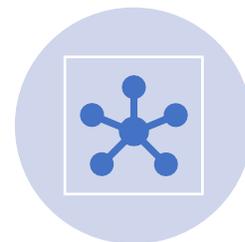
Reviewed sustainable procurement at other local authorities



Engaged with suppliers

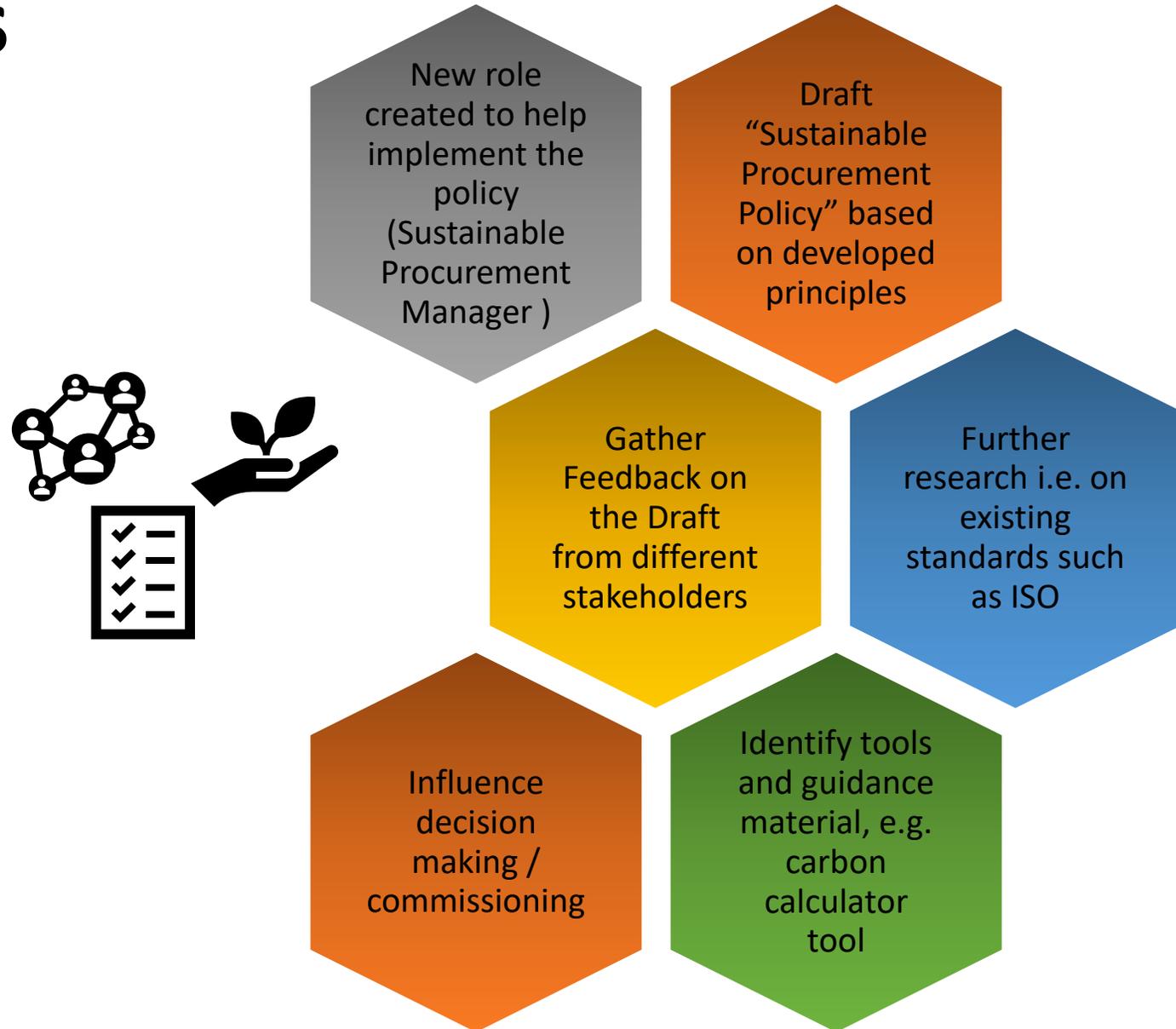


Drafted sustainable procurement principles



Considered how to link with social value

Current focus



THANK YOU



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31 March 2021

Neil Gibson, ADEPT
David Ogden, Amey

Excellence in Place Leadership Programme

A Joint Venture between ADEPT and Amey
Neil Gibson – the thinking so far.....

A better business model?

- ADEPT and Commercial Partners think there is
- Used the EiPL programme to test thinking
- EiPL is an ADEPT/AMEY Joint Venture
- Highlights today
- Detailed summary can be found at

<https://www.adeptnet.org.uk/documents/eipl-session-1-innovation-procurement-summary>



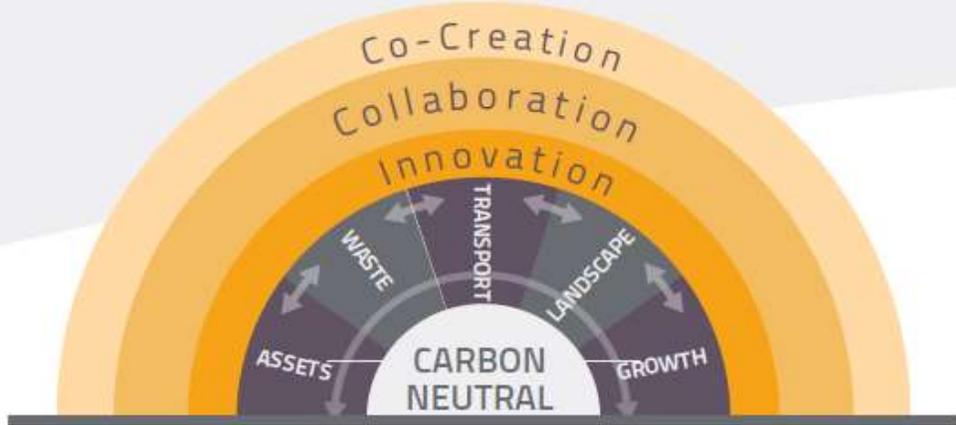
The Opportunity?

“ What does a great future business model look like - describe the essential components of a new business relationship between the commissioner and provider (private or public sector) of key place-based services?”

The Thought Leaders

- Cohort of 10 Place Leaders
- Amey/Ferrovial Centre of Excellence for Cities
- Connected Places Catapult
- GO Lab, Oxford University
- Bird & Bird





FEEDING GROWTH

Culture Relationship Building Trust Early Action Collective Leadership	Flexibility New Procurement Models Clarity Standards Transparency	Innovation Investment Right Solution Diversity of Supply Voice of Citizen
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What would great look like?

Common Themes

- Clear strategic evidence-based commissioning plan for place
- Co-produced with local stakeholders and business
- Collective vision for place with clear environmental, social & economic outcomes
- Individual services scoped/procured to hit strategic outcomes
- Clear links with commissioning plans of LEPs, Health etc
- Step change in collaboration, evidence base and skills

Follow on Work

- 3 workshops in 2020
- Facilitated by Amey/CPC/Go Lab
- 3 ADEPT Outcome Based Commissioning Case Studies
 - Southend
 - Somerset
 - Staffordshire



BRINGING AN OUTCOME FOCUS TO PLACE-BASED SERVICES

Date: Tuesday, 30th June 2020

Time: 13.00 - 15.30 BST

Join Zoom Meeting

<https://bsg.zoom.us/j/97564320798?pwd=L1ZQUEgvK3M4cHUzZFFscEtnaVNRZz09>

Key insights so far

Outcomes Based Commissioning for Place: Insights



- The impetus for change varies
- A robust place strategy needed to structure and focus outcomes
- OBC commissioning improves collaboration between Councils and suppliers and benefits citizens
- Flexibility is beneficial in supplier management, delivery and measurement to maximise impact – needs to be embedded in contract and governance
- OBC is beneficial but linked procurement mechanisms are less mature

Excellence in Place Leadership Programme

A Joint Venture between ADEPT and Amey
David Ogden – the Private Sector perspective.....

Questions and discussion