

# Three south east councils – one sustainable procurement policy

**Brighton & Hove City Council**

Monday 19 June 2023

## Summary

3 councils have teamed up to create a common policy across the south east that aligns their approaches to improving environmental considerations in procurement.

Orbis Procurement, a shared service between Brighton & Hove, Surrey, and East Sussex, works to pool resources, boost operational resilience, and deliver greater value for money for residents. The new sustainable procurement policy will contribute to helping protect natural habitats, improve air quality, and increase health and wellbeing for 2.2 million residents.

**Councillor Trevor Muten, lead councillor for sustainability at Brighton & Hove City Council, said:**

“Our Environmentally Sustainable Procurement Policy will have a significant positive impact across three councils, ensuring suppliers take environmental concerns into account when bidding for council contracts.

“Having environmental sustainability as a key consideration for our contracts will contribute to increasing health and wellbeing for our residents through improved air quality, preventing pollution and waste, and the protection of our natural environment.

“By working together as councils, we’ve been able to pool resources, expertise and knowledge, and give clear guidance to our suppliers on how their own journeys to net zero can contribute to ours.

“Our commitment to regularly reviewing how the policy is working will include listening to and working with our local suppliers to make sure contracts have positive environmental impacts across our services and communities.”

## The problem

Brighton & Hove City Council had a sustainable procurement policy in place that was due for its annual review. Surrey County Council and East Sussex County Council did not have policies and it was felt that all 3 councils could collaborate to drive more meaningful outcomes and improve efficiencies by adopting a common policy.

The city council also had a policy of allocating 10% of the quality score to sustainability where relevant and proportionate. This often meant that 10% was given either to social value or environmental sustainability, rather than both areas being evaluated systematically. Splitting this policy into 2 standalone policies, one for environmental sustainability and one for social value, helped ensure a clear demarcation between the 2 areas.

## Background

East Sussex is a coastal county, with a population of around 1 million people. The South Downs National Park, which covers a large part of the county, is a popular destination for outdoor activities.

Surrey is a landlocked county with a population of around 1.2 million people. It is just to the north-west of East Sussex, and is known for its picturesque countryside, including the North Downs and the Surrey Hills. The county is home to several large towns and cities, including Guildford, Woking, and Staines. Gatwick, one of the busiest airports in the world, is on Surrey's south east boundary.

Both East Sussex and Surrey have a diverse population, with a mix of urban and rural areas. They are both home to a range of industries, including agriculture, manufacturing, and tourism.

Brighton and Hove is a city in East Sussex and has a population of about 273,000 people. The city is known as a coastal and cultural destination. It is home to a number of parks and green spaces, including the South Downs National Park and Brighton & Lewes Downs UNESCO Urban Biosphere Reserve.

The city has a large student population with both the University of Brighton and the University of Sussex located there.

The 3 authorities have a different political make up, with the 2 county councils led by the Conservatives and the city council by Labour. Environmental sustainability is a priority for all 3. Each has declared a climate emergency and the city council has declared a biodiversity emergency.

## The solution

Orbis Procurement is a public sector shared procurement service between Surrey County Council, East Sussex County Council, and Brighton & Hove City Council.

The service aims to:

- drive efficiencies
- pool resources, expertise, and knowledge
- create greater operational resilience
- deliver greater value for money for its residents through increased standardisation and removal of duplication

Through Orbis Procurement's 'policy through procurement' programme, Surrey County Council took the lead to create the new policy. It used the environmental elements of Brighton & Hove City Council's sustainable procurement policy as its foundation and built on this to produce a more comprehensive document.

Environmental considerations covered by the policy include, but are not limited to:

- reducing greenhouse gas emissions
- minimising waste
- protecting biodiversity
- tackling the impacts of climate change

The policy was adopted by the 3 Orbis Procurement partners with the aim of reducing environmental impacts by:

- increasing the effectiveness of environmental measures
- simplifying processes for prospective suppliers
- improving consistency across the region

The policy is supplier-facing. As a result, it prepares prospective suppliers by setting out the 3 councils' expectations of environmental considerations in the delivery of their goods, works, and services.

As the councils' supply chains mature and become more able to meet environmental performance goals, increasingly ambitious and challenging targets can be set for suppliers. This is especially in the area of reducing carbon emissions to help the councils reach their net zero targets.

The policy is a live document that will be monitored and reviewed as and when required, but as a minimum annually.

To aid effective implementation and embedding of the policy, Brighton & Hove City Council has adopted a further measure. A default minimum 10% of the quality criteria of its tenders are to be allocated to environmental sustainability, where relevant and proportionate.

The city council is spearheading this approach on behalf of Orbis Procurement.

## Timeline

In October 2021, Surrey County Council approved its 'greener futures climate change delivery plan'. This outlined a need for procurement approaches to strategically drive change through the supply chain and the services Surrey County Council provides.

In December 2021, Brighton & Hove City Council joined the project.

In March 2022, all 3 Orbis local authorities agreed on a common approach.

In October 2022, the new policy was adopted by all 3 local authorities.

So, from concept to project planning, delivery, and launch, the project took about a year. Monitoring and evaluation of the policy is ongoing.

## Stakeholders

The Orbis Environmentally Sustainable Procurement Policy has been created through consultation and input from relevant teams across the partnership. Councillors, service leads, and officers from the 3 councils were involved.

Stakeholders included:

- Surrey County Council cabinet members
- East Sussex County Council members and scrutiny committee
- Brighton & Hove City Council's procurement advisory board
- procurement officers and environment and sustainability teams at each of the councils
- directorate and service leads and officers for relevant teams within each council, such as legal, policy and strategy, finance, social care, property, and commissioning

## Concerns from stakeholders

There was some concern from council stakeholders in sectors:

- where markets have been slow to take on environmental initiatives
- where environmental impacts are perceived to be relatively small in comparison to others

These concerns have been addressed by explaining that the policy will be applied to projects where relevant and appropriate. This ensures that if, for example, a market is struggling to an extent that public services may be at risk, fewer environmental restrictions will be placed on that project until the market is better equipped to deal with any issues.

The team really enjoyed working on this project and remains in direct weekly contact to ensure effective implementation of the policy across the councils.

## Impact

The policy affects a significant proportion of the public sector procurement activity in the south east, and affects £2.1 billion of spend every year.

The policy will impact greenhouse gas emissions, biodiversity net gain, natural capital recovery, circular economy, climate change adaptation, energy efficiency, pollution prevention, and waste reduction.

As a direct result of these areas being tackled by the supply chain, this will help:

- protect natural habitats
- improve air quality
- increase health and wellbeing for 2.2 million residents

Public health co-benefits include reduced premature mortality and prevalence of chronic diseases.

The Orbis Environmentally Sustainable Procurement Policy and its associated outcomes is a vital step to ensure suppliers:

- understand the 3 councils' expectations
- are enabled to support the 3 councils' carbon neutral journey and ambitions
- embed environmental considerations throughout their supply chains

As well as allocating 10% of the quality criteria to environmental sustainability, it is an important tool to encourage suppliers and contractors to align themselves with the councils' commitments and reduce their negative impacts on the environment.

This approach drives the right behaviours and rewards suppliers who are actively working towards becoming carbon neutral.

## Lessons learned

We carried out detailed consultation across all 3 councils to achieve a common policy, which meant the project took more than a year – but with all 3 authorities sharing the same priorities, no significant barriers were faced by the project.

It is important to note that while the policy is helpful, its impact would be significantly improved by stronger national legislation. The government could introduce more legal requirements for suppliers to be accountable for the impact of their activities on the environment. It will remain challenging therefore for local authorities to drive sustainability through their supply chains.

## Lessons learned

## Lessons learned

We carried out detailed consultation across all 3 councils to achieve a common policy, which meant the project took more than a year – but with all 3 authorities sharing the same priorities, no significant barriers were faced by the project.

It is important to note that while the policy is helpful, its impact would be significantly improved by stronger national legislation. The government could introduce more legal requirements for suppliers to be accountable for

the impact of their activities on the environment. It will remain challenging therefore for local authorities to drive sustainability through their supply chains.

The project was funded through the Orbis Procurement partnership, with 3 officers actively involved. With other teams involved, it is difficult to quantify the exact cost of the project. A generous estimate of 1 FTE for 1 year would be appropriate.

## **Next steps**

Continuous application of the policy is essential as a next step. Council officers working within sustainable procurement have developed guidance materials. They also actively support projects to ensure that environmental considerations are built into procurement decisions. As we get data and feedback, we will look to improve the policy annually.

Many other councils across the UK are now looking at what they can do to improve their environmental approaches to their supply chain activity. Many are starting to look at policy creation as their next step. In our work, we have consulted with officers from several councils to share knowledge and experience. We have also presented at several local authority events and webinars.

## **Links and contacts**

Links and contacts