Sustainable Procurement Policy Statement
(Draft)

July 2009
Department for Environment, Food and Rural Affairs (Defra)

SUSTAINABLE PROCUREMENT POLICY STATEMENT

Vision
Our vision is to:

*Become and remain a world leader in innovatively integrating economic, environmental and social considerations into our procurement of goods, services works and utilities to achieve best value for money and continual improvements in conserving resources, controlling pollution, reducing waste and raising the quality of people’s lives.*

Putting this vision into practice will help Defra achieve:

- **A sustainably managed, resource-efficient estate.** For example: minimising our use of energy, water and materials; controlling our emissions of greenhouse gases and other pollutants; and reducing waste in line with targets set for Sustainable Operations on the Government Estate – i.e. the SOGE targets;
- **Supply-chains that are innovative and eco-efficient** (e.g. low carbon, low waste and water efficient), support biodiversity and deliver wider sustainable development goals in areas such as equality and diversity, engaging with SMEs and the Third Sector;
- **Benefits for the organisation, society and the economy while minimising damage to the environment.**

Context
The Government’s aim is to establish the UK as a leader in the European Union (EU) on sustainable procurement and, in the process, achieve a low carbon more resource efficient public sector. The policy is set out in the National Sustainable Procurement Action Plan (SPAP).

The plan contains a toolkit, developed by the Sustainable Procurement Task Force, called the Flexible Framework (page 68) to measure Government buyers’ capability and progress towards this vision. Defra is using the framework to embed sustainability into its procurement.

Scope
This policy statement applies to the goods and services that are purchased by core Defra. It may also be used by Defra’s agencies and NDPBs who may wish to adopt

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1 The UK’s Sustainable Development Strategy, published in March 2005, highlighted the importance of public sector procurement and committed the UK to be recognised as amongst the leaders in sustainable procurement across EU member states.

2 The Government published the UK Government Sustainable Procurement Action Plan (SPAP) in March 2007, alongside a suite of revised targets on Sustainable Procurement and Operations (SOGE) targets. The SPAP stresses that achievement of the Sustainable Operations on the Government Estate targets will require effort to embed them, and mandatory product standards, into relevant contracts and decisions in key areas which include estates strategies, lease agreements, facilities management, buildings and grounds maintenance.

3 There is a Delivery landscape map showing how Defra and its delivery bodies fit together.
it or adapt it for their own strategies, where they do not already have one in place. The policy should also be considered in conjunction with the Government’s timber procurement policy and the Public Sector Food Procurement Initiative (PSFPI).

**Legal and policy framework**

All Defra’s purchasing activity will comply with the EU Treaty and EU public procurement directives and will be in accordance with Government’s policy of seeking to achieve maximum value for money having due regard to propriety and regularity.

Value for money is defined as "securing the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought". This means that buyers are required to take account of all aspects of cost, including running and disposal costs, and not just the initial purchase price.

The reference to “quality and effectiveness” enables public bodies to specify what they need to meet their own operational and policy objectives, while contributing to the Government's objectives on environmental matters. Buyers must satisfy themselves that specifications are justifiable in terms of need, cost effectiveness and affordability.5

Defra will work within this framework to pursue sustainable and innovative procurement of goods, services and works to meet its requirements.

**Commitment**

This policy statement is endorsed by our Ministers, Permanent Secretary and Management Board, who want sustainability embedded within Defra’s culture. We ask our procurers to challenge internal customers and decision makers who do not take this policy into account.

We are committed to:

- Comply with the Government policies, programmes and standards on sustainable procurement, including meeting or exceeding the minimum ‘Quick Wins Standards’ which are mandatory for all central government departments.6
- Fully engage in programmes, projects and initiatives to improve sustainability and increase collaboration in procurement, e.g. Carbon Reduction Commitment and Greening Government ICT strategy

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4 As implemented in the UK by the Public Contracts Regulations SI2006/6 and Utilities Contracts Regulations SI 2006/6.
5 OGC is producing refreshed Value for Money guidance to provide Departments with a standard methodology to capture value for money from both the efficiency and the sustainability gains from their procurement activities.
6 The aspiration is to meet at least the “best practice” specifications and, if feasible, “class leader” where cost benefit analysis shows this achieves value for money taking into account whole life costs.
• Comply with the Government’s principles of equality and diversity in all aspects of our operation and encourage our suppliers and contractors to do likewise
• Work with our customers to change patterns of consumption, production and supply, encouraging them to choose, use and demand more sustainable products and services
• Build relationships with policy makers and influence policy making through procurement
• Work with colleagues across the public sector to share best practice
• Review our procurement activity to identify sustainability risks and impacts, prioritise these and develop measures to address them
• Use our influence to raise standards of sustainability and stimulate innovation7 and better design across our markets
• Continue to promote business opportunities through our supply chains for Small and Medium Enterprises (SMEs) and social enterprises
• Conduct our procurement activity in an ethical, fair and transparent manner, in accordance with the Professional Code of Ethics of the Chartered Institute of Purchasing and Supply and encourage our suppliers to do likewise
• Work within the procurement rules to promote fair trade
• Establish baselines for performance and systems to measure and annually pursue increasing levels of sustainability across Defra.

Procurement staff
Our Procurement staff will:
• Identify and select products and services that achieve value for money and sustainability.
• Develop contractual clauses covering sustainability requirements for inclusion in contracts for goods, works and services to ensure the end-product or service is in full compliance with sustainability objectives and SOGE targets.
• Work with our internal customers to change patterns of consumption and production, supply and demand in accordance with sustainability.

Suppliers
We will work with our suppliers and potential suppliers to:
• Raise their awareness of our commitment to sustainable development and the need for continual improvement
• Encourage them to adopt sustainable practices in the way that they do business with us, e.g. through participation in the Carbon Disclosure Programme to encourage carbon foot-printing of suppliers to government

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7 The White Paper, Innovation Nation, published on 13 March 2008, sets out the Government's aim to make the UK the best place in the world to run an innovative business or public service
• Encourage them to publicise their own examples of good sustainability practices for presentations at our workshops and publication on Defra’s suppliers web site
• Encourage them as employers to promote equality and diversity among their employees and their own suppliers
• Help them to compete for our business; ensuring that our procurement processes and policies do not discriminate against small and medium sized enterprises (SMEs) and social enterprises, addressing any barriers that prevent them serving us, including the sub-contracting policies of our larger suppliers where possible.

Risk Assessments
We will incorporate a process of economic, environmental and social risk assessment into our procurement activities. Risk assessments undertaken by project owners will identify procurements which constitute high economic, environmental and social risk. Responsibility will lie with project owners to assess, manage and mitigate the risks.

Action plan
Defra has in place a Sustainable Development Action Plan (SDAP) which outlines the high-level, priority actions that need to be taken to deliver sustainable development (SD) in Defra, champion sustainable development across Government and address longer-term commitments in the UK Sustainable Development Strategy.

Monitoring and reporting
Compliance with this policy will be monitored by Defra’s Sustainable Procurement Team, and reported to OGC’s Centre of Expertise in Sustainable Procurement and to Defra’s Management Board and Sustainable Development in Government (SDiG) as required.  

Review
Defra’s Purchasing and Contracts Division will regularly review this policy statement in consultation with procurers, customers and suppliers to assess its effectiveness. The Division will also consult colleagues in policy teams within Defra and other Government departments to ensure it reflects latest thinking and developments on sustainable development at home and abroad.

Communication
We will communicate this policy both internally and externally and make it available with supporting documents via our Procurement Intranet site and Suppliers web site.

Defra’s Purchasing and Contracts Division - July 2009

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8 Progress is monitored by OGC’s Centre of Expertise in Sustainable Procurement and through the Defra as Sustainability Leader programme (DaSL); reporting is done on a quarterly basis. The Government is developing a forward vision for sustainable procurement and target measures to enable it to be measured and monitored on the same basis as performance on sustainable operations. The Sustainable Development Commission monitors and reports performance against the SOGE targets, across Government Departments, on an annual basis.