

Sustainable Procurement Action Plan

Executive Summary

Sustainable Procurement will be addressed through two key work areas.

1. A gap analysis of procurement practice and sustainability requirements based on the recommendations of the Government sponsored Sustainable Procurement Task Force (SPTF). By implementing an action plan to close the gap, Haringey will create procurement infrastructure able to deliver sustainability through contracts
2. With the infrastructure in place, the Council will use information extracted from our category management system to identify spend categories with high sustainability impacts and markets with potential for innovation. Tools and training will be created to support delivery of sustainable options within these categories.

1. Introduction

In March 2008, Haringey Council published its sustainable procurement policy and strategy. Communicated in this document is Haringey Council's vision – to ensure that sustainability is an implicit consideration during all stages of the procurement process and that the Council's procurement activities support wider social, economic and environmental objectives, in ways that offer real long-term benefits to all.

The strategy identified six key outcomes to be met if we were to achieve this vision:

1. Minimising the environmental impacts of our contracts;
2. Delivering real value for money;
3. A well managed sustainable supply chain;
4. Embedded sustainable procurement practices;
5. A strong sustainable local economy;
6. A sustainable constructed environment.

The objectives required to meet these outcomes were outlined in the strategy and are matched against actions in this plan.

The actions expressed later in this document not only represent Haringey's method of achieving the vision, but also provide a clear project plan for improving against the Sustainable Procurement Task Force Flexible Framework, so that we:

1. Meet Level 2 of the Flexible Framework by September 2009;
2. Meet Level 3 of the Flexible Framework by September 2010;
3. Meet Level 4 of the Flexible Framework by September 2012.

These targets are in keeping with those set out in Haringey's Sustainable Procurement Strategy.

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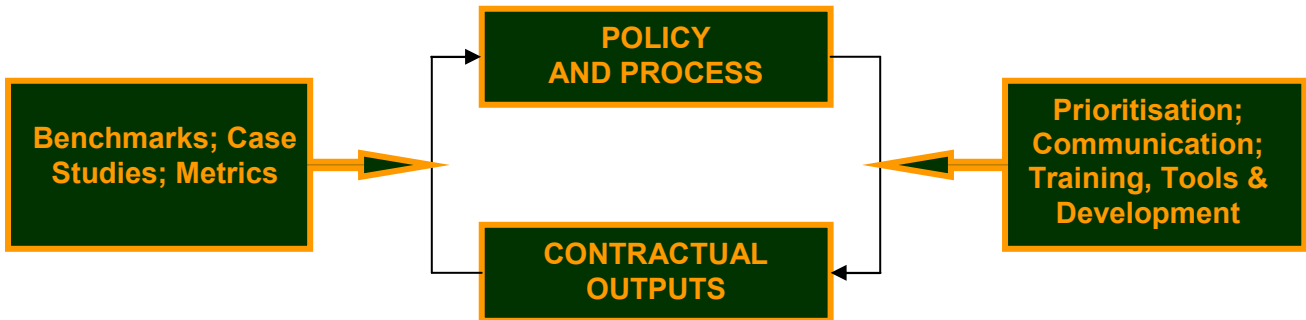
2. Glossary

Term	Definition
Better Haringey	A Council initiative to provide environmental improvements through frontline services to the Borough.
Capital Ambition	A regional programme which serves London local government and the GLA group. It seeks to support London's public services to improve at a swifter rate than they would do alone.
Category Sourcing Plans	Strategies created for 16 markets to realise more efficient and sustainable purchasing practices.
Decent Homes	A programme of works to repair or upgrade existing council accommodation.
Equality Impact Assessment (EqIA)	A systematic approach to discovering and minimising the negative impacts new policy and strategy has on different groups of people.
Environmental Management System (EMS)	This provides organisations with a framework for managing environmental responsibilities (energy, water, waste etc) efficiently in a way that is integrated across all operations.
Flexible Framework (FFW)	A management tool developed for all Governmental bodies to help plan sustainable procurement activity in a co-ordinated and comprehensive manner.
Greenest Borough Strategy (GBS)	The Greenest Borough Strategy sets out how the Council will take forward actions to tackle climate change and embed environmental sustainability into everything it does.
Haringey Strategic Partnership (HSP)	A forum of the Council, local public agencies, community groups and businesses aiming to improve public services and address the key issues in the borough by sharing insight and working practices.
Key Drivers	Existing policy and strategy documents (usually at a national or regional level) which provide direction on any policies yet to be developed.
Key Performance Indicators (KPIs)	A set of quantifiable measures that organisations use to gauge or compare performance in terms of meeting strategic and operational goals.
Life Cycle Costing (LCC)	A procurement evaluation technique which determines the total cost of acquisition, operation, maintaining and disposal of the items or service acquired.
Local Authority Environmental Management and Procurement (LEAP)	A European Union Project to develop a suite of management tools and guidance for public authorities to implement green procurement.
Mayor of London's Green Procurement Code	An external audit procedure which benchmarks London-based organisations on sustainable procurement practice.
National Indicator 185 (NI 185)	A measure of the Council's operational carbon footprint that is reported to the Department of Environment, Food and Rural Affairs and through the Comprehensive Area Assessment.
Personal Performance Agreement	A set of objectives agreed by managers and staff to help them prioritise and deliver projects crucial to organisational requirements.
Pre-Qualification Questionnaire	A questionnaire used to reduce the number of viable bidders prior to conducting a competitive tender.
Prioritisation Methodology	A procedure that is applied to an organisation's spend

	data to determine which products or services have significant sustainability risk.
Purchase to Pay (P2P)	The process of enabling buying organisations and suppliers to make use of technology in order to make processes more efficient.
Quick Wins	A list of 54 product areas that have minimum environmental standards which Government must adhere to when purchasing.
Risk Assessment	A systematic approach to discovering and minimising the negative impacts new policy and strategy has on the organisation.
Sustainability	Ensuring development meets the needs of the present without compromising the ability of future generations to meet their own needs.
Sustainable Investment Fund (SIF)	A fund created by the Council to cover upfront costs of energy management projects which is then paid back over a period defined by the amount of energy saved per month (eg Invest to Save).
Sustainable Procurement Task Force (SPTF)	A business-led group tasked with providing recommendations to Government on how to meet the aspiration to be “amongst the European Union leaders in sustainable procurement by 2009”.
U-Values	A rating for building materials dependant on the amount of heat that is lost through that material.

3. Developing the Action Plan

In the SPTF report 'Procuring the Future', sustainable procurement is identified as existing in two distinct, but overlapping fields. The first is policy and process change – internal infrastructure including training, strategising and risk analysis. Embedding this in an organisation fosters a culture that is more willing to add sustainability clauses into contracts, as there is buy-in at senior level and training and tools to support procurement officers. The second field is therefore contractual outputs. Contractual outputs are the benefits to the environment, society and the economy that are realised through specifications, contract conditions, bid evaluations, contract management manuals and supplier development programmes.



3.1 Policy and Process

For us to deliver benefits to our constituents through the goods and services we buy, there are several conditions which need to be met. Best practice has been identified by the Sustainable Procurement Task Force (SPTF) and is expressed in the Flexible Framework (FFW).

The five themes of the FFW are split over five levels, with Level 5 being the hardest to achieve, but also delivering the most benefits. The Local Government Sustainable Procurement Strategy mandates the use of the FFW for all Local Authorities to record their performance in sustainable procurement.

The FFW requires Haringey to provide training for staff, helping them to become more knowledgeable of the environmental and community impacts of the products and services they buy. They will also be able to understand what actions they can take to reduce the negative impacts and enhance the positive ones.

We are also required to develop a strategy which identifies the actions that government and others expect us to take to deliver sustainable procurement, and who we should work with to make sure this happens. By communicating this to our staff, constituents and suppliers we hope that all people affected by our actions will understand what we are doing and why.

Some of the actions we have to take will change the way we buy. We have I.T. systems in place which allow us to work electronically, cutting down on the amount of storage space we need for documents and saving paper as we can read documents on screen. We need to change the systems to make sure we can monitor sustainable procurement activities. By doing this we can avoid buying products and services which harm the environment or the community and report to whomever needs to know what we are doing to improve the world they live in.

Whilst we can tell our suppliers what we need from them to help us deliver sustainable procurement, there may be instances where they cannot provide us with what we ask for. If we keep demanding products and services standards that suppliers cannot meet, we may damage our relationships with them. To make sure this doesn't happen we need to consult our suppliers on all major decisions which may affect the way we do business with them. We also have a duty to train our suppliers, like our staff, so we can be sure they understand the benefits of sustainable procurement. This may help them practice sustainable procurement themselves.

It is the aim of Haringey Council to achieve Level 4 on the FFW by September 2012. This plan will explain the actions we are taking in order to achieve this target. We have used an amended

version of the Flexible Framework Checklist to show how each action we take affects our progress against the themes and levels. It has been amended to demonstrate the links between the actions we are undertaking, the people we need to involve in the process and any actions from other reports which overlap with this action plan.

3.2 Contractual Outputs

Whilst we can put lots of effort into changing the way we do business, it won't mean anything unless we can demonstrate improvements to our impact on the environment and the quality of life of our constituents. We measure this by assessing various outputs of our contracts. These outputs have been identified by the SPTF – eighteen sustainability indicators that organisations affect when buying goods and services. These areas include environmental and community impacts and are explained below:

Sustainability Indicators:

Greenhouse Gas Emissions

Some gases such as carbon dioxide and methane contribute to climate change and are released as a result of the energy it takes to manufacture, transport or use various products.

Acid Rain Precursors

Acid rain damages plant-life and the soil in which it grows. It is caused by sulphuric gases, released as a result of the energy it takes to manufacture, transport or use various products.

Emissions to Water

Hazardous substances can become trapped in water. When the water sinks into the soil or into local watercourses it can affect local wildlife and communities.

Waste to Landfill

Sending waste to landfill creates many problems. It costs us money (as we have to pay landfill tax), it damages the environment (as it produces greenhouse gases and pollution to water) and can be a burden to society (as it can smell and bring down the prices of nearby houses).

Hazardous Substances

Some products may generate hazardous waste as a by-product, which can be expensive and technically difficult to dispose of. Also, radiation can cause mutations and illness in people and wildlife.

Materials

Using materials which we cannot replace changes the landscapes they come from. Some mining techniques are dangerous for workers. Also, more vehicles on the road, noise and dust can disrupt local communities. Local wildlife suffers from a reduction in suitable habitat.

Energy

Energy required during the manufacture, transport or use of products and services can contribute to climate change and acid rain through the burning of coal, oil and gas by power stations, plant and/or vehicles.

Other Natural Resources

Sometimes the impacts we have on the environment and on communities have knock-on effects. This means we are affecting the environment and communities in ways that may not be clear if we only focus on direct impacts.

Water Usage

Many manufacturing processes require water to dilute, clean or cool products and machinery. Other products consume water during use. Excessive water consumption contributes to drought and intensifies the chemical cleaning process as more water requires processing.

Biodiversity

Biodiversity is the variety and abundance of species, their genetic composition, and the natural communities, ecosystems, and landscapes in which they occur. Harvesting raw materials, climate change and waste disposal all alter the conditions which maintain biodiversity levels.

Local Environment

Satisfaction in the surrounding area including access to green space, responsible use of land (e.g. renovating existing buildings/building on brownfield sites as opposed to building on greenfield sites) and air quality.

Health

When an employee of a supplier, the user of a product or service, or a member of a community affected by the contract suffers ill health as a result of the good/service/work being procured.

Education

Encouraging suppliers of services to participate in apprenticeship, intern or voluntary schemes, providing young adults with opportunities to develop their skills and learn a trade.

Employment

This means improvements in employment prospects in areas/for people which otherwise are restricted in their employment choices. For example, providing amenities at work, such as crèches or coaches, which increase the scope for people restricted by factors other than health to work there or employing a member of the long-term unemployed.

Community

Ensuring the local community is properly consulted or engaged should procurements directly affect them and that projects do not adversely affect or improve standards of safety, amenities and access.

Developing World Supply Chains

In several developing world countries incidences of sweatshops (forced labour), child labour, discrimination and prohibition of labour organisations means peoples' basic human rights are challenged.

Equality and Diversity

Ensuring there is no discrimination regarding the procurement of goods, services and works so that minorities are adequately protected and the supply based becomes more inclusive (welcoming Small Medium Enterprises - SMEs) and therefore competitive.

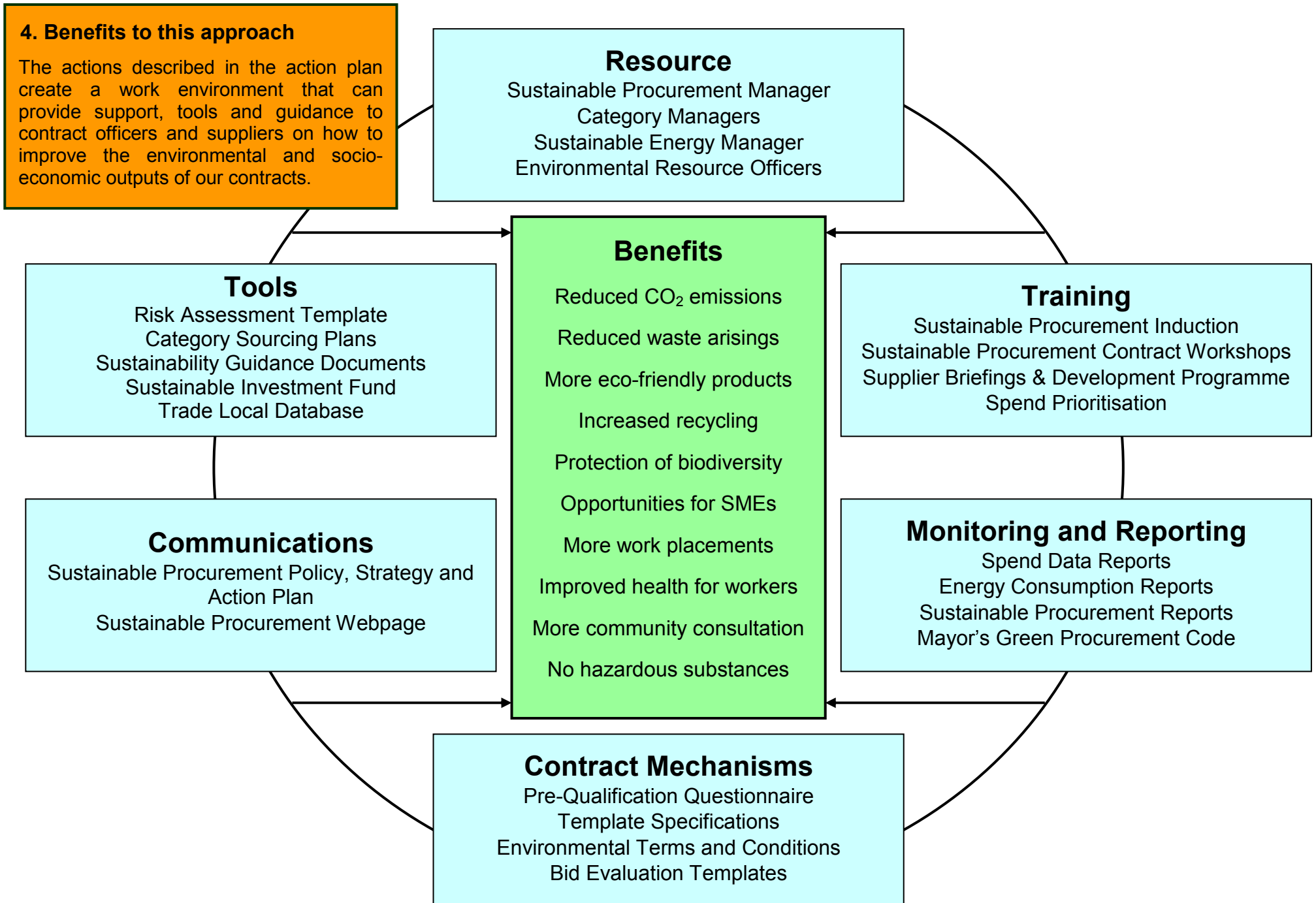
Other Socio-Economic

This means ensuring people affected by procurements and the commissioning of services remain happy with the quality of the life they lead. It is difficult to quantify and is traditionally measured by survey but remains important given the potential for stakeholders to lose faith in the organisation responsible for providing them with services and amenities.

In order to best use the resources available; a method of identifying the high-risk categories, based on the relevance of the indicators (above), must be used. In this way, we can focus effort on the contracts where the most risk exists and therefore the most benefits can be realised. However, we should also ensure that categories are assessed for influence (we are constrained in our ability to reduce the risk of contracts where suppliers have no incentive to meet our requests) and the availability of substitutions in the marketplace – if there is no sustainable alternative to a product/service, no changes can be made.

The SPTF prioritisation methodology is the tool we will use to assess our expenditure profile. This tool fully takes account of all the indicators described above. The use of the tool is explained in Annex C.

By using the dual approach identified (Policy & Process plus Contractual outputs), we will develop a system of continual improvement. This is because, as we embed sustainability in our processes, we set the direction we wish to take in pushing sustainability through our contracts. With the information we receive from our contracts we can reshape our policies and process to reflect aspirations beyond what we have already achieved. This in turn will affect the contracts we let, and the whole cycle starts again.



4.1 Benefits Case Study

Highways and Street Lighting Contract

The employment of the Sustainable Procurement Manager (activity 1.1.1) has allowed the Council to analyse the expenditure within the public realm market segment – that is, the work we undertake on the transport infrastructure in the Borough – roads, lighting, grass banks etc.

The SPTF Prioritisation Methodology was applied (activity 3.1.1) to Civil Engineering – a category within the Public Realm segment that includes Highways reactive and planned maintenance. The results of which showed the following:

High Risk –

- Significant use of raw materials in the provision of civil engineering which may be mined, despoiling the local landscape and threatening biodiversity;
- Emissions, dust and noise from the delivery of civil engineering services contribute to pollution levels and climate change, and affect the health of local residents;
- Works may also restrict access to local businesses and increase traffic congestion.

High Scope – There is plenty of opportunity to mitigate the sustainability risks of civil engineering.

- Innovations in recycling allow contractors to crush and reuse road surfacing and base when maintaining roads;
- New patching techniques seal potholes without the need for filling materials;
- Sustainability certification for timber ensures the legal and sustainable growth of forests;
- Considerate Contractors schemes aim to reduce noise and vehicular movements to the benefit of residents and business;
- Contractors can employ and train local people to provide services through the contract.

High Influence –

- Significant spend;
- Long contractual arrangement;
- Poor execution of the contract can affect the contractor's relationship with residents, leading to protracted administration of complaints procedures and a demoralising workplace for staff whilst tarnishing the Contractor's reputation with other potential clients.

Resultant of this, a Sustainability Strategy following a workshop (activity 3.2.1) was created that aimed to maximise the environmental and socio-economic benefits of the contract. This included:

- Developing specifications concerning the recycling of bituminous material;
- Developing KPIs concerning the continuous reduction of emissions resultant of the contract;
- Developing terms and conditions concerning legal and sustainable timber;
- Involving the Sustainable Procurement Manager in bid evaluation to provide guidance where necessary.

Therefore some of the sustainability outputs of this contract will be:

- A systematic and fully auditable reduction in the use of virgin materials.
- A systematic and fully auditable reduction in CO₂ emissions.
- Use of 100% sustainably and transparently sourced timber.

5. Interpreting the Action Plan – How to use the document

Level 1: Foundation Activity Option/Strategy Objective/KPI	Actions		RAG Status
	Complete	Incomplete	
<p>1.1.2 Key Procurement staff are trained in the basic principles of sustainability (environmental, social, community benefits and regeneration etc). Training includes how sustainability issues are to be integrated into contract activity.</p> <p><i>To increase the sustainable procurement skills of our staff within the Council</i></p>	<p>Action: Develop practical sustainable procurement courses for procurement officers. Run biannually. Owner: Sustainable Procurement Manager. Completion Date: 30.06.09. KPI 3.1</p> <p>Action: Develop sustainability risk assessment training for category managers for use in Category Sourcing Plans. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09. KPI 3.2</p>	<p>Action: Develop Sustainable Procurement Reporting for procurement officers. Owner: Co-ordinated by Category Managers. Returns to Sustainable Procurement Manager. Completion Date: 31.03.09. KPI 4</p> <p>Action: Develop refresher training for procurement officers based on quality of Sustainable Procurement Reports. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.</p> <p>Action: Develop online refresher training for all procurement staff on the Harinet Learning Zone. Owner: Sustainable Procurement Manager. Completion Date: 31.03.10</p>	

This section summarises the monitoring and recording information that sits behind the actions. It includes:

- The Flexible Framework recommended activity that needs completion;
- The Haringey Council Sustainable Procurement Strategy Objective that undertaking the activity will help deliver.

This section details the actions, owners and deadlines Haringey Council has identified and implemented that have enabled us to achieve the activity identified in the Flexible Framework.

Where actions have KPIs, they are linked to the Key Performance Indicator section of the document.

In order to track the progress made against actions, when actions are completed and transferred, they are recorded and dated in a change log at the end of the action plan.

This section details the actions Haringey Council has identified that will allow us to achieve the activity identified in the Flexible Framework but has not yet completed.

When actions have been completed they will be moved across to the 'Complete' column.

The RAG (Red, Amber, Green) status represents the degree to which actions have been completed. This is important as it provides a visual indication of how much of the action plan is complete. It also highlights the fact that in spite of actions not being completed, they may be underway.

There is an overview at the end of the document.

6. Flexible Framework Checklist – Haringey Council’s Sustainable Procurement Action Plan

6.1 Actions to support People

Level 1: Foundation Activity Option/Strategy Objective/KPI	Actions		RAG Status
	Complete	Incomplete	
1.1.1 Identify a Sustainable Procurement Champion from within the Procurement team. <i>To provide clear leadership on sustainable procurement</i>	Created Energy and Sustainability Team in Corporate Procurement to include Sustainable Procurement Manager, Sustainable Energy Manager, Energy Administration Officer and Carbon Management Officer.		
1.1.2 Key Procurement staff are trained in the basic principles of sustainability (environmental, social, community benefits and regeneration etc). Training includes how sustainability issues are to be integrated into contract activity. <i>To increase the sustainable procurement skills of our staff within the Council</i>	Developed practical sustainable procurement courses for procurement officers. Run biannually. KPI 3.1 Developed sustainability risk assessment training for category managers for use in Category Sourcing Plans. KPI 3.2 Developed sustainable procurement reporting for contract officers. KPI 4	Action: Develop refresher training for procurement officers based on quality of Sustainable Procurement Reports. Owner: Sustainable Procurement Manager. Completion Date: Ongoing. Action: Develop online refresher training for all procurement staff on the Harinet Learning Zone. Owner: Sustainable Procurement Manager. Completion Date: 31.03.10	
1.1.3 Sustainable Procurement principles are included in key employee induction programmes.		Action: Develop new starter sessions which highlight the history of sustainable procurement and how it is applied in the Council. Owner: Human Resources provide new starter information. Sustainable Procurement Manager delivers training. Completion Date: 31.03.09 KPI 3.3	

Level 2: Embedding activity	Actions		RAG Status
	Complete	Incomplete	
1.2.1 All people involved in the procurement activity (e.g. project managers, specifiers, engineers, designers, senior managers etc) have received sustainability training. <i>To increase the sustainable procurement skills of</i>		Action: Develop sustainable procurement manuals for each key market segment and include bespoke policies, specifications and terms and conditions. House on Category Sourcing Plan webpage. Owner: Sustainable Procurement Manager/	

<i>our staff within the Council</i>		Category Managers. Completion Date: 31.03.10.	
1.2.2 Procurement job descriptions include requirements for sustainable procurement competencies. All relevant job descriptions include a requirement to support sustainability principles. Those that interface with procurement specifically (e.g. project managers, engineers, facilities managers etc) need to support sustainable procurement. <i>To increase the sustainable procurement skills of our staff within the Council</i>		Action: Integrate sustainability into contract officers' personal performance agreements. Owner: Reviewed by line managers. Audited by Sustainable Procurement Manager (5%). Completion Date: Ongoing. Action: Develop a template for all procurement job descriptions concerning sustainability, equalities, health and safety and basic IT literacy. Owner: Sustainable Procurement Manager/ Head of Supplies and Services Procurement. Completion Date: 30.09.09.	
1.2.3 Recruitment includes sustainable procurement criteria in candidate selection. <i>To increase the sustainable procurement skills of our staff within the Council</i>	Candidate selection criteria for both applications and interview are directly linked to job specifications.		

Level 3: Practice activity	Actions		RAG Status
	Complete	Incomplete	
1.3.1 A sustainable procurement incentivisation programme is in place to motivate procurement staff and key delivery staff such as Project Managers, specifiers etc. <i>To increase the sustainable procurement skills of our staff within the Council</i>	Set up a Sustainable Investment Fund (SIF) of £500k, match fund through external grant schemes. KPI 6 Set up a Schools Sustainable Investment Fund (SSIF) amounting to 12.5% of residual school balances.	Action: Compile a list of relevant award schemes and ensure routine submissions. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.	

Level 4: Enhancing activity	Actions		RAG Status
	Complete	Incomplete	
1.4.1 Sustainable Procurement is included as part of all employee induction programmes. <i>To increase the sustainable procurement skills of our staff within the Council</i>		Action: Include Sustainable Procurement Policy in employee induction pack. Owner: Sustainable Procurement Manager. Completion Date: 31.12.09 Action: Develop an introductory presentation to Sustainable Procurement. Publish on the sustainable procurement intranet page and reference at the bottom of the updated policy.	

		Owner: Sustainable Procurement Manager. Completion Date: 31.12.09.	
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Level 5: Leading activity	Actions		RAG Status
	Complete	Incomplete	
<p>1.5.1 Achievements in sustainable procurement are publicised and used as part of a strategy to retain and attract procurement professionals.</p> <p><i>To increase the sustainable procurement skills of our staff within the Council</i></p>	Developed an externally facing sustainable procurement internet page which houses key documents and achievements.	<p>Action: Develop a template referencing Council sustainable procurement commitments and achievements for job advertisements.</p> <p>Owner: Sustainable Procurement Manager/ Head of Supplies and Services Procurement.</p> <p>Completion Date: 30.09.09.</p>	
<p>1.5.2 Internal and external awards are used to recognise achievements. This is open to all people involved in the procurement process including suppliers.</p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises</i></p> <p><i>To research and promote best practice in sustainable procurement.</i></p>		<p>Action: Linked to Better Haringey - develop an annual in-house award scheme with the following (example) categories:</p> <ul style="list-style-type: none"> • Best Haringey Sustainable Procurement Project; • Haringey's Most Sustainable Supplier; • Most Improved Supplier; • Best Partnering Arrangement; • Haringey Buyer Significant Achievement Award. <p>Owner: Sustainable Procurement Manager/ Better Haringey Programme Manager.</p> <p>Completion Date: 31.03.11.</p>	
<p>1.5.3 People are focused on demonstrating benefits achieved. Good practice is shared with other organisations.</p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises</i></p> <p><i>To research and promote best practice in sustainable procurement</i></p>	Haringey leads on the Capital Ambition Project for Energy and provide practical information on energy procurement and energy efficiency/CO ₂ reduction.	<p>Action: Develop a forum with key partnering organisations (e.g. HfH, Haringey Accord, Alexandra Palace etc.) to share practical examples of how to improve the sustainability of procurement processes and outputs.</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 31.03.11.</p> <p>Action: Develop feedback form and encourage customers to provide constructive criticism.</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 31.03.10.</p> <p>KPI 7.1</p> <p>Action: Scope the potential to deliver consultancy to other organisations.</p> <p>Owner: Sustainable Procurement Manager/</p>	

		Innovation and Commercial Consultant Completion Date: 30.09.12.	
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6.2 Actions to support Policy, Strategy and Communications

Level 1: Foundation activity	Actions		RAG Status
	Complete	Incomplete	
<p>2.1.1 High-level assessment of the organisations' sustainability values has taken place.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>	Assessed external and internal key drivers for steer on sustainable procurement. Report available as Annex A. Review biennially.		
<p>2.1.2 Overarching organisational sustainability objectives agreed.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users</i></p>	Agreed organisational sustainability objectives in the Council Plan 07-10 and Greenest Borough Strategy 08-18.		
<p>2.1.3 Links between organisational sustainability objectives and procurement have been made.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>	<p>Included Sustainable Procurement in the Greenest Borough Strategy to demonstrate the role procurement plays in delivering sustainability priorities. Audited through a bimonthly Greenest Borough Project Board.</p> <p>E&ST co-ordinated the collation of carbon emission data for submission to stakeholders such as the Audit Commission and Carbon Trust. This is in line with NI 185.</p> <p>KPI 5</p>	<p>Action: Update the contract expiry report to highlight high-risk sustainability contracts to suppliers and procurement officers. Reported monthly.</p> <p>Owner: Sustainable Procurement Manager/ P2P Performance Manager.</p> <p>Completion Date: 31.12.09.</p>	
<p>2.1.4 A simple sustainable procurement policy is in place and endorsed by the Chief Executive.</p> <p><i>To provide clear leadership on sustainable procurement</i></p>	Developed a simple Sustainable Procurement Policy and achieve endorsement from the Cabinet Member for Corporate Resources.		
<p>2.1.5 The sustainable procurement policy is communicated to all staff within procurement, key</p>	Communicated policy through a series of mechanisms including the Haringey Procurer – a		

<p>specifiers and others as necessary.</p> <p><i>To provide clear leadership on sustainable procurement</i></p>	<p>publication for all employees with an interest in procurement and purchasing, the Inter/Intranet, Smart Talk (Haringey's internal bulletin) and the global mailing system. Reference to its internet location made on all high sustainability risk contracts.</p>		
<p>2.1.6 A programme to raise supplier awareness of sustainability issues is in place.</p> <p><i>To provide clear leadership on sustainable procurement</i></p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises.</i></p>		<p>Action: Set up a supplier development programme, focussing on resource efficiency, health and safety and community liaison.</p> <p>Owner: Sustainable Procurement Manager/ Sustainable Energy Manager/ Environmental Resource Officer/ Haringey Guarantee Officer.</p> <p>Completion Date: 31.03.12.</p> <p>Action: All relevant documents to be placed on the Sustainable Procurement internet page.</p> <p>Owner: Corporate Procurement's Web Administrator.</p> <p>Completion Date: Ongoing.</p>	

Level 2: Embedding activity	Actions		RAG Status
	Complete	Incomplete	
<p>2.2.1 A detailed sustainable procurement policy is in place, endorsed by Chief Executive and part of a wider Sustainable Development Strategy.</p> <p><i>To provide clear leadership on sustainable procurement.</i></p>		<p>Action: Update the sustainable procurement policy to reflect LEAP best practice – identifying objectives linked to actions and targets. Explicit ownership of the agenda is communicated within the document.</p> <p>Owner: Sustainable Procurement Manager Endorsed by the Cabinet Member for Corporate Resources and the Cabinet Member for Environment and Conservation.</p> <p>Completion Date: 31.03.11.</p>	
<p>2.2.2 The sustainable procurement policy is formally communicated to key suppliers and their views actively sought.</p> <p><i>To work with our key vendors on sustainable procurement and our procurement needs.</i></p>		<p>Action: Launch consultation on the updated sustainable procurement policy and seek comments from suppliers and members of the Haringey Strategic Partnership.</p> <p>Owner: Head of Corporate Procurement.</p> <p>Completion date: 31.12.10.</p>	

Level 3: Practice activity	Actions		RAG Status
	Complete	Incomplete	

<p>2.3.1 The policy has now evolved into a high level Sustainable Procurement Strategy with key actions to address key sustainability impacts. The Sustainable Procurement Strategy is endorsed by the Chief Executive.</p> <p><i>To provide clear leadership on sustainable procurement</i></p>	<p>Developed a sustainable procurement strategy and action plan to ensure continued progress against the flexible framework, our Corporate Plan targets and to mitigate sustainability risk in our high impact contracts.</p>	<p>Action: Undertake an Equality Impact Assessment on the strategy. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09.</p>	
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Level 4: Enhancing activity	Actions		RAG Status
	Complete	Incomplete	
<p>2.4.1 A review of progress against the Sustainable Procurement Strategy has taken place.</p>	<p>Developed an amendments log to be appended to the action plan as Annex B. Updated Biannually.</p>	<p>Action: Review Sustainable Procurement Strategy every 5 years to update changes in progress, policy and legislation. Significant developments will require development of a new strategy. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.</p> <p>Action: Launch consultation on the updated sustainable procurement strategy and seek comments from suppliers and members of the Haringey Strategic Partnership. Owner: Head of Corporate Procurement. Completion date: 31.03.12.</p>	
<p>2.4.2 Briefing on the Sustainable Procurement Strategy are provided to all those involved in the procurement process including key suppliers.</p>		<p>Action: Develop and provide suppliers with regular communications and training workshops as part of the supplier development programme. Suppliers are asked to provide feedback. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.</p> <p>KPI 7.2</p>	
<p>2.4.3 The Sustainable Procurement Strategy is included and/or referenced from within the organisations' overall corporate strategy.</p>		<p>Action: Include explicit information about the Sustainable Procurement Strategy in all future Council Plans. Owner: Head of Policy and Performance. Completion Date: Ongoing.</p>	

Level 5: Leading activity	Actions		RAG Status
	Complete	Incomplete	
<p>2.5.1 The Sustainable Procurement Strategy is reviewed on a regular basis and is externally</p>	<p>Annual submission progress against the Sustainable Procurement Strategy to London</p>		

scrutinised.	Remade – the Mayor’s Green Procurement Code Project Team.		
2.5.2 Progress against the Sustainable Procurement Strategy is reported to the Board and evidence is available that shows Board commitment to continuously improve the sustainability of the organisation and procurement. <i>To provide clear leadership on sustainable procurement.</i>		Action: Implement the KPIs from this action plan to monitor progress against the Flexible Framework. Reported monthly to Head of Procurement and externally through the annual Mayor’s Green Procurement Code submission. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.	
2.5.3 The Sustainable Procurement Strategy is directly linked to the organisations’ accredited EMS and achievements are publicly reported.		Action: Develop and deliver an EMS for the corporate buildings that remain following the estate rationalisation programme and ensure sustainable procurement is fed in. Owner: Head of Environmental Resources. Completion Date: TBA.	
2.5.4 Any revisions to the Sustainable Procurement Strategy are communicated through a mixture of media including briefing, websites, public reporting, press releases etc.		Action: Develop a communications plan for all sustainable procurement activity. Owner: Sustainable Procurement Manager. Completion Date: 30.09.09.	
2.5.5 The Sustainable Procurement Strategy is recognised by political leaders.	<i>Moot Point. This is not a criterion we can fulfil as it relies on external forces. However, monitoring of Haringey Council in the news is undertaken by the media centre and information placed on the internet.</i>		

6.3 Actions to support the Procurement Process

Level 1: Foundation activity	Actions		RAG Status
	Complete	Incomplete	
<p>3.1.1 High-level organisational expenditure analysis has been undertaken and key expenditure areas have been identified.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>		<p>Action: Apply the Sustainable Procurement Task Force Prioritisation Methodology to Haringey's expenditure profile and develop risk mitigation plans for categories scoring over 35. Insert in category sourcing plans. Review following changes to funding and remit or when significant leaps in technology alter the risk profile of certain categories.</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 30.09.09.</p>	
<p>3.1.2 Basic sustainability criteria are integrated into key contracts to improve performance.</p> <p><i>To specify minimum standards for environmentally preferable and fairly traded materials and products.</i></p>	<p>Updated contract terms and conditions to improve environmental protection in contract, including the precautionary principle.</p>	<p>Action: Develop generic specifications for use in all tenders and house the list on the Sustainable Procurement intranet page. Include high-visibility policy areas of energy, waste and water (in line with organisational priorities and SOGE requirements).</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 30.09.09.</p> <p>KPI 4</p>	
<p>3.1.3 Quotes/ tenders are starting to ask for alternative solutions that are more sustainable. These are evaluated openly and where benefits are clear the more sustainable solution is chosen.</p> <p><i>To specify minimum standards for environmentally preferable and fairly traded materials and products.</i></p>	<p>Updated the Environmental section of the Council's Pre-Qualification Questionnaire to require information on sustainable operations, with a checkbox to alert suppliers of sustainability specifications in high sustainability risk tenders.</p>	<p>Action: Develop and roll-out a standard bid evaluation model that ensures points are awarded objectively on a cost/quality/sustainability basis.</p> <p>Owner: Procurement Senior Management Team.</p> <p>Completion Date: TBA.</p>	
<p>3.1.4 All costs associated with the procurement process are assessed so that the total cost is determined e.g. purchase price + energy consumption + spares + training + maintenance + insurance + consumables + disposal costs etc over the anticipated/ stated life of the purchase/ service.</p> <p><i>To ensure that the Whole Life Cost of our procurements is considered.</i></p>	<p>Developed a U-values calculator to be used for assessing the environmental costs of building works for the Decent Homes Project.</p> <p>Designed and rolled-out a life cycle costing tool which provides information on sustainable products; their environmental performance and where to source them.</p>	<p>Action: Develop and run a training course for procurement officers on life cycle costing. Include costs of environmental impacts and cost breakdown in line with ISO 15686-5 (Life Cycle Costing).</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 31.12.09.</p> <p>KPI 3.4</p>	
<p>3.1.5 Generally the organisation is not willing to pay a cost premium for the more sustainable solution.</p>	<p><i>NB. Haringey accepts in several instances sustainable options will incur a price premium, owing to material costs, risk insurance against untried technologies etc. It is important medium to long-term payback is preferred to short-term capital savings.</i></p>		

<i>To ensure that the Whole Life Cost of our procurements is considered.</i>			
<p>3.1.6 Purchases take into account all "Quick-win" criteria identified by central government. If a "Quick-Win" product is available it is always bought.</p> <p><i>To specify minimum standards for environmentally preferable and fairly traded materials and products.</i></p>		<p>Action: Make the Quick Wins list available on the intranet and integrate into Sustainable Procurement Training. Audit through Sustainable Procurement Reports. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09.</p> <p>Action: Rationalise SAP CRM to provide specialist approval routing for categories with quick win compliant products. Owner: P2P Performance Manager (IT Changes), Sustainable Procurement Manager (Approval). Completion Date: 31.03.12.</p>	
<p>3.1.7 The sustainable procurement process is a separate addendum to the main procurement procedures.</p> <p><i>To research and promote best practice in sustainable procurement.</i></p>	<p><i>NB. Sustainable procurement is good procurement. Retrospectively applying sustainability to completed contracts duplicates workloads and restricts the extent sustainability a) is cascaded through the organisation and b) is able to deliver benefits to the organisation and wider community through contracts. All Haringey Council sustainable procurement procedures are being developed to be integrated throughout the procurement process.</i></p>		

Level 2: Embedding activity	Actions		RAG Status
	Complete	Incomplete	
<p>3.2.1 Expenditure and sustainability risk, scope and influence are used to drive contract/ expenditure/ procurement resource prioritisation and allocation.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>	<p>Developed a sustainability risk mitigation plan template for all new procurements valued between £25k-250k. Audit on a 10% basis.</p>	<p>Action: Develop and run three-quarter day sustainable procurement workshops for all new procurements over £250k. Owner: Sustainable Procurement Manager. Completion Date: 31.12.09.</p>	
<p>3.2.2 Those submitting tenders are actively encouraged to offer more sustainable solutions and where benefits are clear the more sustainable solution is chosen, assuming it is affordable.</p> <p><i>To ensure that the Whole Life Cost of our procurements is considered.</i></p>		<p>Action: Develop a paragraph to be integrated into the 'background' section of all contracts, drawing suppliers' attention to Haringey's commitment to sustainability, key documents and where they can be found. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09.</p>	

Level 3: Practice activity	Actions	RAG
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	Complete	Incomplete	Status
3.3.1 Sustainability risks are managed at all stages of the procurement process from supplier selection, specification development, evaluation, contract management and disposal. <i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises.</i>	Contract management procedures for high sustainability risk contracts have a 10% audit regime. Determined from Sustainable Procurement Report returns.		
3.3.2 Any "Gateway" reviews undertaken include an assessment of sustainable development issues.		Action: Update project management framework to include sustainability benefits section. Review at Better Haringey Programme Board/Cabinet Procurement Committee. Owner: Head of Policy and Performance. Completion Date: 31.03.10.	

Level 4: Enhancing activity	Actions		RAG Status
	Complete	Incomplete	
3.4.1 Sustainability risk mitigation plans are agreed with Project Managers, specifiers, Engineers etc. Risks are managed at all stages of the procurement process.	Developed a structured approach to strategic procurement, ensuring all procurement tools and techniques, from project forecasting to contract management are addressed for all strategic procurements.		
3.4.2 Sustainability lessons learned from "Gateway" review processes are captured and disseminated within the organisation.		Action: Add a sustainability section to both project initiation documents and procurement comments for Procurement Committee Papers. Owner: Head of Policy and Performance (implementation)/Sustainable Procurement Manager (content review). Completion Date: 31.03.10.	

Level 5: Leading activity	Actions		RAG Status
	Complete	Incomplete	
3.5.1 The organisation is now identifying potential partners for collaborative contract arrangements, organisation is leading an increasing sustainability agenda in key spend areas with peer organisations.		Action: Set up a collaborative procurement group with members of the Haringey Strategic Partnership, increasing influence over suppliers by aggregating spend. Owner: Head of Procurement. Completion Date: 31.03.12.	
3.5.2 Barriers to sustainable procurement delivery have been completely removed.	<i>NB. Resultant of all other actions.</i>		

6.4 Actions to support Engaging Suppliers

Level 1: Foundation activity	Actions		RAG Status
	Complete	Incomplete	
<p>4.1.1 Organisational supplier spend analysis has been undertaken and the key suppliers to the organisation have been identified.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>	Plotted spend against key suppliers using Business Information Warehouse software.	<p>Action: Plot suppliers on a commercial risk/spend matrix to illustrate key partners. Ensure information on sustainable working practices is shared irrespective of sustainability risk to improve working relationships.</p> <p>Owner: Category Management Manager.</p> <p>Completion Date: 31.03.11.</p>	
<p>4.1.2 A high level examination of the sustainability performance of key suppliers has been undertaken.</p> <p><i>To identify the social, environmental and economic diversity of council expenditure and predict likely demands and trends including their likely impact on the diverse sections of the Haringey population and service users.</i></p>		<p>Action: Map the Council's top 20% of suppliers against high sustainability risk categories and develop supplier management strategies in accordance with prioritisation methodology requirements. Review following changes to funding and remit or when significant leaps in technology alter the risk profile of certain supplier products/services.</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: 31.03.11.</p>	

Level 2: Embedding activity	Actions		RAG Status
	Complete	Incomplete	
<p>4.2.1 Suppliers are beginning to identify their key suppliers and a sustainable approach to supply chain management is beginning to evolve.</p> <p><i>To work with our key vendors on sustainable procurement and our procurement needs.</i></p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises.</i></p>		<p>Action: Deliver prioritisation training to key suppliers and aid them in the production a prioritised category/supplier list.</p> <p>Owner: Sustainable Procurement Manager.</p> <p>Completion Date: Ongoing.</p>	

Level 3: Practice activity	Actions		RAG Status
	Complete	Incomplete	

<p>4.3.1 Suppliers clearly recognise the procurers commitment to sustainability and are now focused on offering the most sustainable solution at the most economic cost.</p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises.</i></p>	<p><i>Note: This is implicit in the development of supplier engagement.</i></p>	<p>Action: Develop a biannual supplier conference which has Sustainable Procurement presentations and which champions results of Supplier Development Programme and Sustainable Procurement Awards. Include key note speech from Haringey's CEO. Owner: Head of Procurement. Completion Date: 31.03.12.</p>	
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Level 4: Enhancing activity	Actions		RAG Status
	Complete	Incomplete	
<p>4.4.1 Key supply chains have targeted improvement programmes and benefits are realised.</p> <p><i>To adopt mechanisms and indicators to review and achieve continuous improvement in our supply chain, including the extent to which it is applied to SME, BAME, voluntary and social enterprises.</i></p>		<p>Action: Upgrade the Supplier Development Programme to include supply chain development work, promoting consistency in benefits realisation and reporting procedures down the supply chain. Owner: Sustainable Procurement Manager. Completion Date: 31.03.12.</p>	

Level 5: Leading activity	Actions		RAG Status
	Complete	Incomplete	
<p>4.5.1 Suppliers are seen as essential to the delivery of the organisations sustainable development strategy.</p>		<p>Action: Good practice case studies of the sustainable delivery of supplies and services are included in the updated sustainable procurement strategy. Owner: Sustainable Procurement Manager. Completion Date: Ongoing.</p>	
<p>4.5.2 The programme of supplier/procurer sustainability development has a track record over a number of years and progress of all parties is clearly evident.</p>	<p><i>Defined by progress against KPIs, awards, supplier development, stakeholder feedback and continuous improvement plans.</i></p>		

6.5 Actions to support Measurements and Results

Level 1: Foundation activity	Review Action	RAG Status
<p>5.1.1 High-level sustainability impacts of the procurement activity have been identified.</p>	<p><u>Prioritisation of Category Spend.</u> Review: Annual or following changes to organisational remit/technological developments.</p>	

5.1.2 Simple measures based on achieving all aspects of the foundation level of the flexible framework are put in place and delivered.	<u>Completion of Action Plan.</u> Review: Annually. Audit: Annually (External – London Remade). Every 5 years (Internal Audit). KPI: % Action Plan Complete. Target: Level 4 (70%) by September 2012.	
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Level 2: Embedding activity	Review Action	RAG Status
5.2.1 Measures are implemented to manage the high-risk impact areas identified.	<u>Sustainable Procurement Training for Procurement Officers.</u> <u>Prioritisation Training for Category Managers.</u> <u>Sustainable Procurement Introduction for New Starters.</u> <u>Life Cycle Costing Training.</u> KPI: # attendees / # procurement officers (%). Target: 100% KPI: Satisfaction with training (%). Target: 80% <u>Sustainable Procurement Reporting.</u> Audit: Monthly. KPI: # contracts let with sustainability aspects. Target: 5% of total # contracts. KPI: Cumulative value of contracts let with sustainability aspects (£). Target: 5% of cumulative contract value (£). <u>Sustainable Investment Fund.</u> KPI: % committed to projects. KPI: Carbon saving projection per annum (CO ₂ tonnes equivalent). KPI: External match funding received (£ cumulative).	

Level 3: Practice activity	Review Action	RAG Status
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Level 4: Enhancing activity	Review Action	RAG Status
5.4.1 Measures are integrated into a balanced score card approach reflecting both input and output measures as well as costs and benefits.	<u>RAG Status of SPAP Progress.</u> Review: Biannually.	
5.4.2 Measures are linked to delivery of the organisations Environmental Management System (EMS).	<u>Implementation of Environmental Management System.</u> KPI/Target: See SOGE targets – http://www.defra.gov.uk/sustainable/government/gov/estates/targets.htm	
5.4.3 Comparison is made with peer organisations and progress/lessons learned are reported to the Board and actions are taken to address problems identified and success is acknowledged.	<u>Sustainable Procurement Benchmarking.</u> Audit: Annually (External – London Remade). KPI: Quartile Ranking. Target: Top Quartile by 2010/11. <u>Routine Submission to Award Schemes.</u> Review: Annually.	

	<u>Carbon Footprint Reporting (CRC League Table).</u> Audit: Annually. KPI: League Table Ranking. Target: Top Quartile. KPI: Building Emissions Statement. Target: 90% Emissions of 2007 levels by 2012.	
5.4.4 Benefits delivered by more sustainable procurement are becoming evident and benefit statements have been produced.	<u>Use of Feedback.</u> KPI: Supplier Satisfaction (%). Target: 60%. KPI: Customer Satisfaction (%). Target: 60%.	

Level 5: Leading activity	Review Action	RAG Status
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NB: Not all levels across themes and activities are included in this action plan. This is because many of the interpretive actions Haringey is taking comply with more than one activity. Rather than duplicate the actions in a different box, the Council has decided to remove those activities where the completion criteria is met elsewhere. This reduces the length of the document and improves readability.

7. Overview RAG Map of Sustainable Procurement Activity

LEVEL	Foundation Level 1	Embed Level 2	Practice Level 3	Enhance Level 4	Lead Level 5
THEME					
People	Yellow	Red	Grey	Grey	Grey
Policy, Strategy & Communications	Yellow	Red	Grey	Grey	Grey
Procurement Process	Yellow	Red	Grey	Grey	Grey
Engaging Suppliers	Yellow	Red	Grey	Grey	Grey
Measurements & Results	Green	Yellow	Grey	Grey	Grey
MILESTONES	Grey	Level 2 – Sept '09	Level 3 – Sept '10	Level 4 – Sept '12	Grey

NB: Haringey Council has taken the view that, despite the fact that we may be doing good work on one of the FFW themes, unless we have completed all the actions of the level, it cannot be seen as green. We will not progress beyond the level until all actions are completed. Therefore, even if we have achieved a lot in Level 5 of a theme, unless all the levels before it are complete, it will receive a red status.

The Flexible Framework Checklist (Section 5) indicates how well we are progressing individual actions at all levels.

8. Change Log

Date	Change	Owner	Comments
21.09.09	1.1.1. Action: Create Carbon Management Officer role. Owner: Head of Corporate Procurement Completion Date: 31.03.09 Completed. Moved to complete column.	Sustainable Procurement Manager	Carbon Management Officer successfully recruited in June 2009.
21.09.09	1.1.2. Action: Develop Sustainable Procurement Reporting for procurement officers. Owner: Co-ordinated by Category Managers. Returns to Sustainable Procurement Manager. Completion Date: 31.03.09. Completed. Moved to complete column.	Sustainable Procurement Manager	First reporting round co-ordinated by Sustainable Procurement Manager in March 2009.
21.09.09	1.3.1. Added Schools Sustainable Investment Fund to the complete column.	Sustainable Procurement Manager	This is a loan fund for schools to encourage capital investment in energy efficient infrastructure. Schools requiring more information should contact sustainable.procurement@haringey.gov.uk .
21.09.09	1.5.1. Action: Develop an externally facing sustainable procurement internet page which houses key documents and achievements. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09 Completed. Moved to complete column.	Sustainable Procurement Manager	http://www.haringey.gov.uk/index/business/selling/sustainableprocurement.htm
21.09.09	2.1.1. Action: Assess internal key drivers for steer on sustainable procurement. Report available as Annex A. Review biennially. Owner: Sustainable Procurement Manager. Completion Date: 30.06.08. Completed. Moved to complete column.	Sustainable Procurement Manager	
21.09.09	2.1.5 Action: Communicate policy through a series of mechanisms including the Haringey Procurer – a publication for all employees with an interest in procurement and purchasing, the Inter/Intranet, Smart Talk (Haringey’s internal bulletin) and the global mailing system. Reference to its internet location made on all high sustainability risk contracts. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09. Completed. Moved to complete column.	Sustainable Procurement Manager	‘Sustainability Matters’ – Haringey Procurer Issue 1. Summer 05. ‘WEEE Directive’ – Haringey Procurer Issue 2. Winter 05. ‘How green are our greens?’ – Haringey Procurer Issue 5. Summer 07. ‘Sustainable Procurement’ – Haringey Procurer Issue 7. Spring 08. ‘Carbon Emissions of Council Buildings’ – Haringey Procurer Issue 7. Spring 08. ‘Sustainable Timber Policy’ – Haringey Procurer Issue 8. Winter 08. Government Business Energy Award – Smart Talk Issue 57. April 09. London Energy Project GO Award – Smart Talk Issue 61. August 09.
21.09.09	3.1.4 Action: Design and roll-out a life cycle costing tool which provides	Norfolk Property	

	<p>information on sustainable products; their environmental performance and where to source them. Owner: Norfolk Property Services Ltd. Completion Date: 30.06.09. Completed. Moved to complete column.</p>	Services Ltd.	
21.09.09	<p>3.2.1 Action: Develop a sustainability risk mitigation plan template for all new procurements valued between £25k-250k. Audit on a 10% basis. Owner: Sustainable Procurement Manager. Completion Date: 31.12.09. Completed. Moved to complete column.</p>	Sustainable Procurement Manager	SPIRA now routinely used in Sustainable Procurement Training.
21.09.09	<p>3.3.1 Action: Contract management procedures for high sustainability risk contracts have a 10% audit regime. Determined from Sustainable Procurement Report returns. Owner: Sustainable Procurement Manager. Completion Date: 31.03.09. Completed. Moved to complete column.</p>	Sustainable Procurement Manager	First reporting round co-ordinated by Sustainable Procurement Manager in March 2009.
21.09.09	<p>3.4.1 Action: Develop a structured approach to strategic procurement, ensuring all procurement tools and techniques, from project forecasting to contract management are addressed for all strategic procurements. Owner: Head of Procurement Completion Date: 31.03.10. Completed. Moved to complete column.</p>	Sustainable Procurement Manager	

9. Key Performance Indicators

1. Progress against the Flexible Framework (cumulative)																
	Performance 07/08	Performance 08/09	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Target 10/11	Target 11/12
Measure	14%	25%			37%			-			-			-	40%	70%

2. Sustainable Procurement Benchmark						
	Baseline 07/08	2008/9	2009/10	2010/11	Target 09/10	Target 10/11
Measure	27% (3 rd Quartile)	-	-	-	2 nd Quartile	1 st Quartile

3. Contracts Let With Sustainability Requirements (cumulative)																	
	Baseline 09/10	Performance 10/11	Performance 11/12	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Target 09/10	Target 10/11
Number	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	5%	10%
Value	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	5%	10%

4. NI 185 Weather Corrected Carbon Emissions from Council Occupied Buildings (quarterly – one month lag)																
	Baseline 06/07	Performance 07/08	Performance 08/09	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Target 09/10
Tonnes	41445	40994	40306	39266												39166 (2279 reduction)
Reduction	n/a	-1%	-3%	-5%												3% (Cumulative 5.5%)
CRC Rank	n/a	n/a	n/a	-												n/a

5. SIF Fund (cumulative)																
	Baseline 07/08	Performance 08/09	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Target 09/10	Target 10/11
Committed	3%	25%	25%	25%	25%	25%	25%	31%	-	-	-	-	-	-	60%	70%
Match Funding (£)	32k	£155k	£155k	£155k	£155k	£155k	£155k	£155k	-	-	-	-	-	-	£300k	£300k
CO ₂ Savings t.eq.p.a	n/a	500														1000

Annex A. Key Drivers and Relevance to Sustainable Procurement

This table provides an overview of the sustainability implications (in terms of priorities, targets and processes) arising from key drivers. This information has been used to inform the actions in the SPAP and how implementation will be prioritised.

	Priorities (Spend)	Priorities (Policy)	Targets	Processes
Council Plan 07-10	<ul style="list-style-type: none"> Construction Energy 	<ul style="list-style-type: none"> Greenhouse Gas (GHG) Employment 	<ul style="list-style-type: none"> 3% CO₂ reduction on the Council Estate 	<ul style="list-style-type: none"> Develop a green register of products for use in refurb and construction projects Develop a Sustainable Procurement Strategy/Implementation Plan Develop employment programmes for marginalised groups
Local Area Agreement 08-11 (LAA)		<ul style="list-style-type: none"> GHG Employment Health 	<ul style="list-style-type: none"> 11% (0.55t per capita) CO₂ reduction by 2011 	
Comprehensive Spending Review 07 (CSR 07)		<ul style="list-style-type: none"> Community Diversity 	<ul style="list-style-type: none"> £2.8bn cash releasing savings by Local Authorities levied through smarter procurement by 2011 	<ul style="list-style-type: none"> Develop mechanisms for and focus on cash releasing savings Smarter procurement, building sustainability into design stage of projects which will release operational efficiencies overtime. Adoption of best practice procurement approaches including collaboration with other authorities and via consortia
Use of Resources KLOE (including procurement)		<ul style="list-style-type: none"> GHG Community 	<ul style="list-style-type: none"> The organisation has a sound understanding of its costs linked to performance and achieves value for money in the delivery of services The organisation commissions and procures quality services, tailored to local needs, to deliver sustainable outcomes and value for money 	<ul style="list-style-type: none"> Develop whole life analysis for relevant procurements, costing where economics allow, GHGs and community impacts Develop processes based on current best practice sustainable procurement guidance
National Procurement Strategy (NPS)				<ul style="list-style-type: none"> Develop life cycle costing and build into contract specifications and procurement processes. Provide opportunities for the inclusion of SMEs and the VCS in the tendering process
Local Government Sustainable Procurement Action Plan (LGSPAP)	<ul style="list-style-type: none"> Construction Facilities Management Social Care Waste Management Energy Transport Food 	<ul style="list-style-type: none"> GHG Community 		<ul style="list-style-type: none"> Develop processes in line with required actions of the Sustainable Procurement Flexible Framework Ensure senior management assumes responsibility for the delivery of sustainable procurement Develop training to support sustainable procurement Develop whole life analysis for relevant procurements, costing where economics allow, GHGs and community impacts

Annex B. Interpreting Key Drivers

This Annex explains the sustainability implications arising from key drivers (see Annex A) and explains how they apply to Haringey Council.

B.1 Priorities (Spend)

What are spend priorities?

Spend priorities are categories of goods, services, works or utilities that the Council spends significant amounts of money on with external providers (e.g. construction). The Council should aim to deliver sustainability through these categories.

What do the key drivers require?

Spend priorities have been agreed by pulling out the SPTF Pan-Government Priorities most relevant to Local Government spend. The SPTF Pan-Government Priorities are available here:

<http://www.defra.gov.uk/sustainable/government/publications/procurement-action-plan/documents/chapter-1.pdf>

What will Haringey Council do?

Haringey Council spends approximately £406m per annum on goods, services and works that we believe are best suited to helping us overcome the unique challenges the borough faces. Instead of using a set of priorities developed for all Local Authorities, we believe we should develop our own priorities, using the SPTF Prioritisation Methodology.

The full document can be found here:

www.defra.gov.uk/sustainable/government/gov/task-forces/procurement/documents/prioritisation.pdf

We will employ the following changes to the SPTF Prioritisation Methodology:

- The Prioritisation Methodology only assesses the top 20% of categories by spend. We will analyse **all** categories for sustainability risk. This is because even low value categories carry sustainability risk.
- In order to ensure we use up-to-date spend information to assess sustainability risk, we will reapply the prioritisation methodology to our category list annually. This will ensure that changes in spend on different categories are factored into the risk analysis. Also, we make inroads into improving the sustainability of projects, or as governmental policy and technology changes, the scope to effect change in certain categories should reduce. This will also affect our spend priorities and we should remain flexible, ensuring developments are recorded and changes are made accordingly.

B.2 Priorities (Policy)

What are Policy Priorities?

Policy priorities are decisions taken at a national or regional level that inform Local Authorities on the actions they should take, and the outcomes they should look to achieve on sustainability indicators (a list of sustainability indicators can be found in Annex C).

What do the key drivers require?

In nearly all the drivers, reference is made to achieving sustainable outputs from contracts, focussing specifically on carbon emissions and community benefits, either through providing employment opportunities to marginalised groups or improving the diversity of Haringey's supply base, encouraging partnerships with small-to-medium sized enterprises (SMEs) and the voluntary community sector (VCS).

The current procurement climate is conducive to the identified priority policies for several reasons.

- In 2008 the UK government published the Climate Change Act. This piece of legislation requires UK carbon emissions to be 80% lower by 2050 than they were in 1990.
- Historically, the sustainability has been scored qualitatively in bid evaluations. However, new developments in social accounting have ensured that costs are now being attributed to sustainability.

For example, Value Wales in conjunction with Jobcentre⁺ has estimated that up to £10,000 per year per person could be saved (based on a combination of reduced benefits and increased tax revenue) by creating job opportunities for the long-term unemployed through contracts.

- The Local Multiplier 3 effect – designed by the New Economics Forum – measures the impacts of money remaining in the local economy. *However, it should be noted that EC Procurement Directives still maintain that it is anti-competitive to specify local business/products in tenders as it precludes opportunities for business from further a field.*

What will Haringey Council do?

We will assess all spend categories against 18 sustainable procurement indicators. These indicators are taken from the Sustainable Development Indicators developed by Defra and are available here:

www.defra.gov.uk/sustainable/government/progress/data-resources/sdiyp.htm

Based on the prioritised approach to sustainable procurement, it is not guaranteed that procurement will focus consistently on policy priorities as the yield of benefits from various categories may prove marginal. However, where benefits in these areas are forthcoming, evaluations can provide financial data which can contribute to the evidence base indicating Haringey's contribution to tackling climate change and social exclusion.

B.3 Targets

What are Targets?

Targets have been set at a national or regional level for policy priorities that Local Authorities are recommended to achieve.

What do the key drivers require?

Carbon emissions are measurable and each driver commits itself to a reduction.

Haringey also needs to ensure we achieve £2.5m worth of cash releasing savings to be levied through procurement by 2011.

What will Haringey Council do?

Haringey's corporate procurement unit is leading on achieving a 10% carbon reduction target for the Council's property portfolio, relative to 2007 levels, by 2011. This is in support of Haringey's Greenest Borough Strategy and is achievable in two ways.

- Procurement of goods and services designed to accurately report or reduce energy consumption.
One of the largest problems faced by government is poor management information. Without readily available data, it is impossible for organisations to develop realistic action plans to improve weak, or maintain strong performance. Data is extremely important in energy management. Having access to accurate energy information allows Haringey to focus resource on energy saving measures on high consumption sites. Energy consumption reduction technologies, such as voltage optimisation and microgeneration provide organisations with carbon reductions which run in the background and do not affect the way we work.
- Procurement of goods and services with additional sustainability benefits.
Many products and services we buy are not purpose built to reduce energy consumption. In many instances these products and services have an operational carbon footprint of their own. Procurement can help to develop specifications and bid evaluation which encourage innovation and reduce sustainability impacts such as carbon emissions by weighting these impacts appropriately in evaluation.

B.4 Processes

What are Processes?

A list of actions that are required in order to achieve targets.

What do the key drivers require?

Summarised into three areas, the key drivers require us to:

1. Develop an approach to life cycle costing;
2. Develop or update procurement processes to facilitate sustainability
3. Develop contractual mechanisms for key market segments

What will Haringey Council do?

1. Develop an approach to life cycle costing

If we only looked at the price we pay for products or services, we could find ourselves in danger of losing significant amounts of money through use and disposal. For example, a person looking to buy a new car would look beyond the purchase price and consider fuel consumption, insurance and depreciation.

We will look at the life cycle costs of the products and services that we buy. We will include sustainability in life cycle costing by equating monetary savings to carbon, water and waste. Beyond this, we will develop a life cycle *analysis* approach, in which risks are costed where possible to reflect governmental reporting mechanisms, but are also considered in options appraisal when the results are qualitative. This will be measured through effective engagement with affected stakeholders.

1. Develop or update procurement processes to facilitate sustainability

We are committed to reaching Level 4 on the FFW by 2012, the same level as the Environment Agency, which is currently considered best practice in green public procurement. The FFW has been confirmed as best practice in both the Central and Local Government responses to the SPTF report.

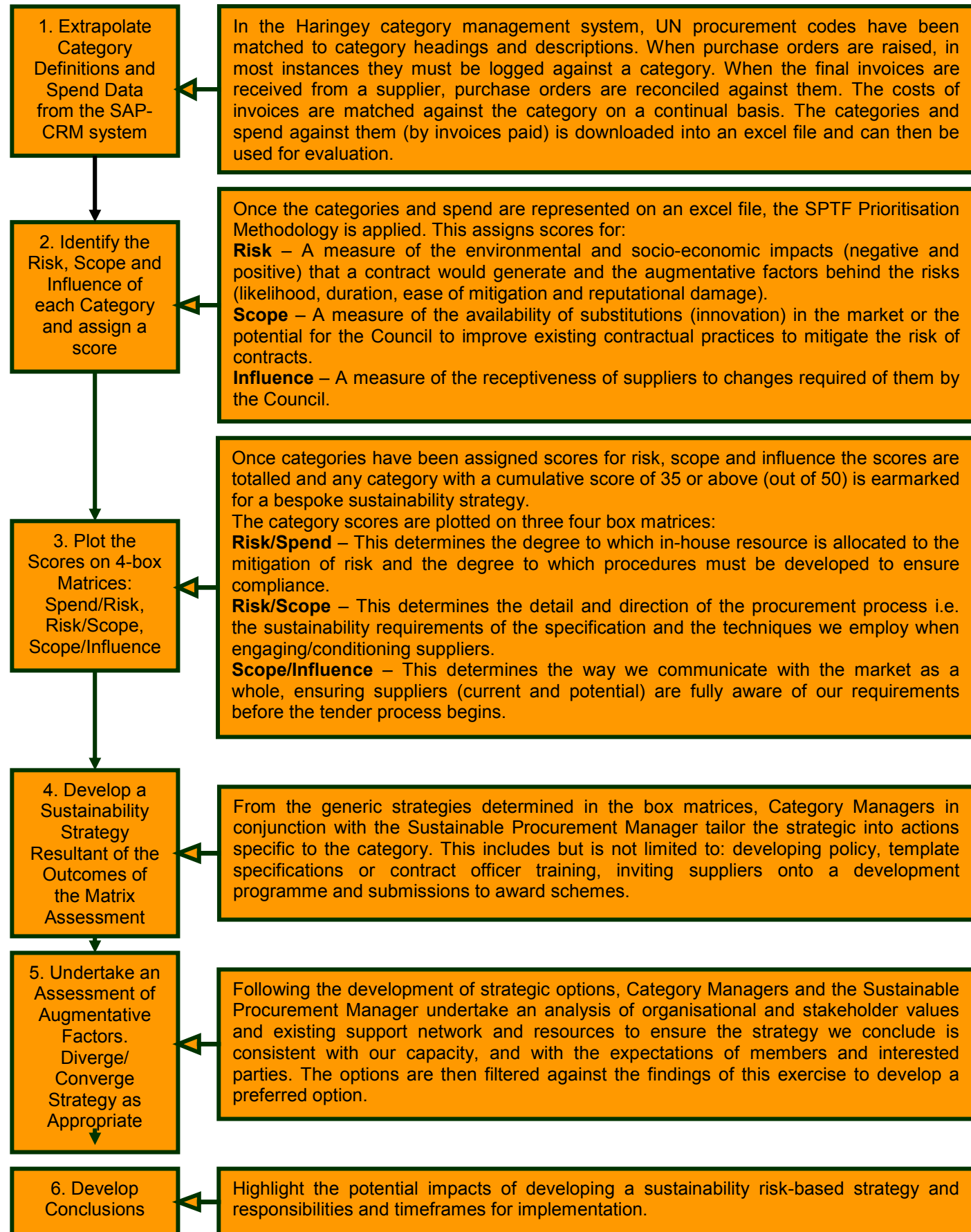
Using this will help organisations understand and take the steps needed to improve procurement practice and ensure we have share a common understanding of sustainability risk management with other public bodies. The full document can be found here:

www.defra.gov.uk/sustainable/government/gov/task-forces/procurement/documents/flexible-framework.pdf

2. Develop contractual mechanisms for key market segments

For each of the categories identified as high sustainability risk following prioritisation, we will develop a suite of bespoke tools for each market segment which will maximise the sustainability benefits from each contract. These tools will include template specifications and contract conditions, early contractor presentations, purchasing policies and procurement officer training. These tools will facilitate outputs which will be underpinned by a supplier development programme. A Supplier Development Programme will allow Haringey to work with suppliers to improve the sustainability of *their* operations, not just the product/service they are providing. A shorter version of this programme will also be made available to potential suppliers so they have the same opportunities as existing suppliers in bidding. The benefits will be captured using the life cycle analysis tool and reported back to ensure policies and procedures are updated to reflect improvements.

Annex C. Summary Sustainability Strategies for Category Market Segments



Haringey Council Report

Report 1A - Spend by Product Category (YTD)

Category Manager	Market Segment	Material Group	Material Description	Active Vendor	Net Invoiced Value	On Contract	Off Contract	Invoice Cost	% On Reg
14200000	Communication	14111500	General Office Paper						
24100000	Printing Services	49101500	Printing Jobs Paper						
55000000	Printing Services	55000000	Print Manufacture Equip						
55101500	Printing Services	55101500	D External substation						
55101500	Printing Services	55101500	Publications & Subs						
55101500	Printing Services	55101500	Publications						
78118000	Printing Services	78118000	Stationery						
80141500	Printing Services	80141500	Paper production						
80141500	Printing Services	80141500	Document Storage Ser						
80141500	Printing Services	80141500	Market research						
80141500	Printing Services	80141500	Production activities						
80141500	Printing Services	80141500	Printing/merchandise						
80141500	Printing Services	80141500	Making Services						
80141500	Printing Services	80141500	Print advertising						
80141500	Printing Services	80141500	Brand advertising						
80141500	Printing Services	80141500	Advertising agency						
80141500	Printing Services	80141500	Press & Media						
80141500	Printing Services	80141500	Interpretation						
80141500	Printing Services	80141500	Editorial Support Ser						
80141500	Printing Services	80141500	Written translation						
80141500	Printing Services	80141500	News and publicity						
80141500	Printing Services	80141500	D Advertising Service						
80141500	Printing Services	80141500	Printing						
80141500	Printing Services	80141500	D Publishing						
80141500	Printing Services	80141500	Photographic services						
80141500	Printing Services	80141500	Graphic design						
PUBS0000	Publications	PUBS0000	Journal Publications						

Here is the process flowchart used in the development of sustainability strategies for high sustainability risk categories. Further information can be found on Haringey's website or in the relevant Category Sourcing Plans.

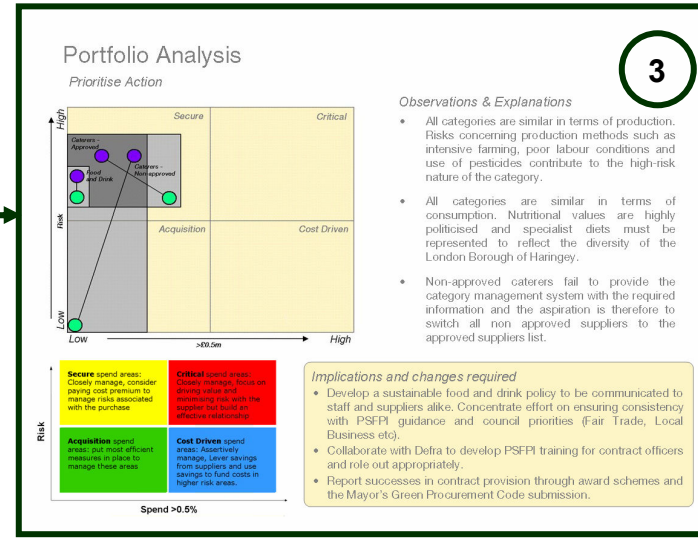
Sustainability Prioritisation

*Data extrapolated from LHM Sustainability Procurement Prioritisation Exercise

Category*	Spend	Risk	Scope	Influence	Total	> 35 Threshold?
Catering Equipment Suppliers	£161,931.12	11	3	1	15	x
Vending Machine Products	£25,356.28	14	5	1	20	x
Refreshments	£41,261.30	8	1	1	10	x
Catering Disposables	£5,791.64	13	6	0	19	x
Meals and Drinks	£21,701.87	17	13	5	35	✓
Caterers - Approved	£89,403.11	19	13	5	37	✓
Caterers - Non Approved	£203,161.75	19	13	5	37	✓
Catering Supplies	£105.60	9	3	1	13	x

Key Observations

- The key sustainability impacts of Food and Drink have been well documented by the Public Sector Food Procurement Initiative and centre around production methods and health.
- Haringey Council has committed the borough to Fair Trade status which is already evident in our refreshment provision but has not filtered through to our catering provision.
- Catering equipment should not include industrial kitchen appliances. These are white goods and should be captured elsewhere.



Strategic Options

Prioritise Action	Comments	Preferred Option
Develop a sustainable food and drink policy.	Little resource required. Consolidates previous commitments (Fair Trade etc).	✓
Collaborate with Delta to develop PSFPI training.	Builds a strong network with other organisations. Improves knowledge of buyers.	✓
Report successes.	Improves management information.	✓
Buyer Approach		
Develop template specifications.	Existing tools makes this simple to implement. Ensures standardised approach.	✓
Develop early contractor engagement presentations.	May result in preconceived notions that Haringey is difficult to work with, suppliers may be put off bidding.	✗
Ensure sustainability is highly weighted in contracts.	High weightings ensures serious consideration is given to sustainability. Same issue as above.	✗
Market Strategy		
Supplier development programme should be developed.	Resource intensive. Should be developed as part of a wider programme.	✗
Sustainable procurement successes to be communicated to the market.	Good conditioning exercise - will require improvement in management information.	✓
Common Minimum Standards should be a minimum requirement for supplying the Council.	Not overly challenging and could be added into specifications as well as a pre-tender conditioning exercise.	✓

Direction setting for preferred option

Organisational Values	Support Framework
<ul style="list-style-type: none"> Fair Trade Resolution passed by Council Trade Local Initiative Greenest Borough Strategy Key sustainability drivers are improving employment opportunities and reducing carbon emissions. 	<ul style="list-style-type: none"> Clr Reith is Fair Trade Champion Sustainable Procurement Manager Haringey Fair Trade Borough Steering Group Sustainable Haringey Food Group Urban Environment Facilities Management
Resource	Stakeholder Values
<ul style="list-style-type: none"> PSFPI guidance and toolkits EUROPA Green Public Procurement Toolkit LEAP Green Procurement Toolkit Fair Trade promotional materials Free consultancy from London Remade 	<ul style="list-style-type: none"> Government – Advocates agenda but has not mandated any actions. Supports the agenda Public – Generally prefer cheapest option but recent high-profile media campaigns is increasing interest Staff – Will support the agenda unless choice editing affects their usual habits NGOs – Strong advocates of agenda

Conclusions

- Sustainable Food and Drink Policy should be developed in line with LEAP best practice. The content should reflect Haringey's key policies such as Fair Trade and reflect wider strategies such as the Greenest Borough.
- Consultation on documents such as the policy should be undertaken with key groups in the Borough such as the Sustainable Haringey and Fair Trade groups.
- An audit should be developed to ensure key sustainability aspects of contracts are logged and performance benchmarked. This will inform the Mayor's Green Procurement Code submission.
- A review of toolkits should be undertaken and the best specifications consolidated into a Haringey document and training session.
- A horizon scan of food award schemes should be undertaken and successes communicated to them as appropriate.
- A communications strategy should be prepared, ensuring suppliers are kept informed of developments within Haringey.