



Hinckley & Bosworth  
Borough Council

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# **Sustainable Procurement Policy**

**2024/25**

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## 1. Introduction

- 1.1. The over-riding procurement policy requirement is that all public procurement must be based on value for money, defined as “the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought”. This should be achieved through competition unless there are compelling reasons to the contrary.
- 1.2. Sustainable procurement is about incorporating environmental, social, and economic concerns into all procurement activities. The Government established Sustainable Procurement Task Force has defined sustainable procurement as:

*...a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.*
- 1.3. Hinckley and Bosworth Borough Council (HBBC) will undertake to continue to address the climate change emergency declared in July 2019 and the biodiversity emergency declared in July 2023.
- 1.4. In support of the climate change and biodiversity emergency, this policy acts like a guide designed to assist officers in making more sustainable procurement decisions. It aims to provide practical information on how, via our contracts, we can reduce impact on the environment; ensure high ethical standards are followed; and bring benefits to the local economy and community.
- 1.5. This policy is not intended to be used as a procurement manual and should be read in conjunction with the Contract Procedure Rules and the Procurement Strategy.

## 2. What is sustainable procurement

- 2.1. Sustainable procurement means improving the efficiency of our commercial spend to deliver social and environmental benefits both within our local community and nationally. To the extent that we can use our purchasing power, either unilaterally or by combining with other public sector organisations to influence the supply market. Sustainability can and should be brought into the whole procurement cycle from writing the specification to tender evaluation to post-contract management. It is a key part of the procurement process and should be considered from the very beginning when you are defining your need right through to exiting the contract when it expires.
- 2.2. Our sustainable procurement policy should support the Climate Change and Biodiversity Strategy 2024 to 2028 The strategy identifies the need to reduce carbon switching from the dependence on fossil fuels to cleaner resources such as renewables and the resulting impact of climate change on biodiversity. This is targeted at the key themes of:
  - Biodiversity
  - Buildings and Land
  - Community
  - Economy
  - Travel

- Waste and Pollution

2.3. This policy will help the Council, its officers, and members, to work towards making HBBC carbon neutral by 2030 (direct council emissions) and ensure the borough is net zero by 2050, considering both production and consumption costs, minimising the environmental impacts of our activities, and through our leadership role influence and empower others to take similar actions. To ensure all the council decisions consider the carbon usage and the resulting impact. We recognise the importance of a healthy and biodiverse environment that ensures our borough's future prosperity and assists the wellbeing of all who live and work in the borough. Therefore through sustainability we can support out Corporate Objectives of:

- People: Helping people to stay safe, healthy, active, and in employment
- Places: Creating clean, sustainable, and attractive places to live, visit and work in
- Prosperity: Encouraging sustainable commercial economic and housing growth, as well as attracting businesses, improving skills, and supporting regeneration

### **3. Putting sustainability into the procurement process**

3.1. The first and most direct way to make our procurement more sustainable is to minimise consumption. Before purchasing is decided upon, consider if you really need to buy that item or service; could you borrow, hire, or share instead. Also, make sure you buy the amount you need and don't buy extra just in case. By asking yourself these kinds of questions you can cut down significantly on your impact on the environment as well as making savings. Always when making procurement decisions remember the four 'Rs':

- Reduce the amount you use;
- Reuse what you can,
- Repair where economically preferable, and
- Recycle what you can't reuse.

3.2. Examples of how you can build in sustainability into you procurement decisions.

- Can you reduce the environmental impact by sourcing certified sustainable materials.
- Can you make decisions that reduce the distances that goods need to be transported.
- Can you purchase something that has a social label, such as a fair trade label.
- Can you deliver additional training opportunities through the delivering of a contract.
- If you are using the ESPO online or catalogue system some suppliers will have their environmental icons displayed, these icons show where products are made from recycled materials, can be recycled, or reused and so on. The icons may offer a more environmentally friendly option but remember to consider if this is the most environmentally friendly option for your particular project.
- The products we procure may make many environmental or ethical claims, but it is not always easy to assess the validity of such claims – one of the best ways to check on the validity of claims is to check if it has been certified or accredited under any scheme.

When making a procurement decision there are several aspects that you will need to take into consideration.

Value for Money	<p>A key consideration is the requirement to deliver value for money. This does not always necessarily mean the cheapest. Value for money is the 'optimum combination of whole life cost and quality (fitness for purpose) to meet requirements'.</p>	<p>A concern that is often raised is that the sustainable item will cost more than buying the 'standard' item. As the market for more sustainable products develops the difference will in many cases be small.</p> <p>When considering value for money you need to consider not just the initial cost of an item but the full 'life cycle' costs (More details are in appendix 1) of a product or service. These include:</p> <ol style="list-style-type: none"> <li>1. Acquisition costs</li> <li>2. Ownership / running costs.</li> <li>3. Disposal costs</li> <li>4. Sustainability costs</li> </ol> <p>Item four includes:</p> <p><b>Environmental:</b></p> <ul style="list-style-type: none"> <li>• Sustainable product (made from recycled material, second hand)</li> <li>• Pollution costs</li> <li>• Green credentials</li> <li>• Cost of extraction (e.g. impact on environment of mining)</li> </ul> <p><b>Social costs:</b></p> <ul style="list-style-type: none"> <li>• Workforce used in supply chain.</li> <li>• Working conditions Producers paid a fair price.</li> <li>• Economic:</li> <li>• Employment</li> <li>• Training opportunities</li> <li>• Local economic cost</li> <li>• Regeneration</li> </ul>
Specification	<p>Ensure that any environmental considerations are built into the tender specification at the earliest possible stage.</p>	<p>When writing a specification, consideration should be given to the products or service over its lifecycle. The following list can be used to assist with identifying</p>

	<p>To comply with the Public Contract Regulations 2015 and the council's CPRs the specification must:</p> <ul style="list-style-type: none"> <li>• be applied equally to all tenderers;</li> <li>• be appropriate and relevant to the product or service required;</li> <li>• be a legitimate client interest;</li> <li>• include sustainability requirements in the tender documents (and reference the council's climate emergency plan for context);</li> <li>• not be anti-competitive or specify branded products; and</li> <li>• not be non-commercial.</li> </ul> <p>Consideration will need to be given to how you specify sustainability requirements, for example, to specify that timber should not come from tropical rain forests may be considered restrictive but to specify that timber 'should be supplied from sustainably managed forests' is reasonable.</p>	<p>the potential sustainability impacts of the products or service you are purchasing:</p> <ol style="list-style-type: none"> <li>1. Specify the use of sustainably sourced materials, for example those that have a Fairtrade Mark or can demonstrate similar principles.</li> <li>2. Impact of the disposal of the products at the end of their useful life.</li> <li>3. Minimise energy or water consumption.</li> <li>4. Decrease pollution: air, land, and water pollution.</li> <li>5. Decrease transport impacts.</li> <li>6. Consider the use of renewable energy.</li> <li>7. Decrease the use of hazardous materials, toxic chemicals, solvents, and ozone depleting substances.</li> <li>8. increased use of recycled materials and materials which can easily be re-used or recycled at the end of their life.</li> <li>9. Identify the appropriate 'environmental' symbols.</li> <li>10. Consider including a paragraph such as 'all contractors and sub-contractors must operate in an ethical and environmentally sound way. As a minimum requirement the contractor must adhere rigorously to all relevant human rights, equality, labour, social values, and environmental laws.</li> <li>11. Other factors to consider when creating the specification are issues like location and community buy-in which may have a positive impact on the community and help regenerate a local area. Consider the needs of both the current generation but also the long-term and future needs of the community.</li> <li>12. Use of technology to enhance customer interactions</li> <li>13. Request if suppliers have achieved a relevant certification such as an International Organisation for Standardisation (ISO) for environmental management or have similar processes in place which demonstrate good levels of management.</li> </ol> <p>This is not an exhaustive list - it is intended to assist and guide you in identifying potential sustainability issues with your procurement. Not all will apply and there are many others that you will no doubt identify.</p>
Evaluation Criteria	The constitution allows for procurement evaluation, which is based on the most economically advantageous tender, to have consideration of Environmental and Social Value in the evaluation criteria.	This policy allows for up to 10% of the scoring evaluation to be allocated to Environmental and Social Value criteria for tenders over £50,000 where it is considered applicable to the contract.

		<p>Where possible our procurement decisions should align with our Climate Change and Biodiversity Strategy 2024 to 2028 and seek to:</p> <ul style="list-style-type: none"> <li>• Reduce our impact on climate change through the procurement of goods and services with a lower carbon impact;</li> <li>• Protect and enhance open spaces and the natural environment;</li> <li>• Minimise our use of energy, water, and other natural resources;</li> <li>• Minimise waste and prevent or minimise pollution;</li> <li>• Specify goods that, wherever possible, have a minimal environmental impact in the extraction or sourcing of materials, manufacture, use and disposal.</li> </ul>
Supporting the Local Economy	<p>HBBC spends considerable amount each year on procuring items and services. The local economy has benefits greatly from the public sector when procurement can be used to support local businesses.</p> <p>Therefore, where possible, we should be providing opportunities to local businesses and third sector organisations to help foster economic growth and maximise sustainability benefits.</p>	<p>Efforts should be made to ensure opportunities of interest to local suppliers are promoted in a way that encourages local suppliers to get involved in providing quotes as long as done in a non-discriminatory way.</p> <p>Review the procurement documentation to ensure it does not impose barriers that would make it less attractive to SMEs. For example, ensuring insurance levels are applicable to the requirement and risk level.</p> <p>Also, as part of the evaluation criteria ask suppliers to explain how they would promote training and local employment opportunities if successful.</p> <p>We will continue to engage with businesses such as local small and medium sized enterprises (SMEs), the third sector (voluntary and community groups, social enterprises, charities, and cooperatives), ethnic and minority owned businesses, sheltered businesses and women owned businesses to encourage a wider and more diverse base of suppliers and to promote equality of opportunity.</p> <p>You should also consider working with locally based organisations early in the process for example, you can engage with small and medium sized enterprises and the voluntary and community sector to seek their views. However, when doing this you must ensure that you do not give preference or an unfair advantage to local suppliers as this would be considered discriminatory.</p>

		You can involve local organisations such as the Federation of Small Businesses or East Midlands Chamber of Commerce who may be able to circulate a specification to their local members on your behalf.
Ensuring high ethical standards	The Council will ensure it uses procurement activity to promote and ensure high ethical standards from those it deals with.	<p>The Council will:</p> <ul style="list-style-type: none"> <li>• not knowingly work with contractors and suppliers who do not comply with the conventions of the International Labour Organisation.</li> <li>• where possible, purchase fair trade products and I continue to promote Hinckley and Bosworth as a Fairtrade area.</li> <li>• not knowingly engage with suppliers who support, encourage, or facilitate the trade in illegal drugs, arms, tobacco, slavery, or prostitution.</li> <li>• not knowingly buy foodstuffs that are genetically modified or contain genetically modified ingredients.</li> <li>• consider animal welfare when making purchasing decisions and therefore contributes to the end of animal testing</li> </ul>

## Appendix 1: Life cycle costs

Life cycle Stage	Example
Initial cost	Purchase Price
Direct running costs	This can include energy, water and other resources & consumables used over the lifetime of the product or service. Buying more efficient products may initially appear more expensive but this could change considerably when factoring in running costs over the lifetime of the product.
Maintenance costs	Consider the maintenance costs over the lifetime of the product or servicing. Good maintenance may extend the life of a product.
Indirect costs	Indirect costs can include for example, less energy efficient equipment will produce more heat causing air conditioned buildings to work harder, thus increasing electricity bills
Administration costs	Factor in admin costs and overheads from purchases requiring special handling. For example, some products or services may require specialist advice or extra time required by stakeholders to get up to speed with specialist practices.
Spending to save	What are the expected years of useful life. Buying more durable or utility efficient products may initially cost more but result in long-term savings. Buying products which are component based. This allows issues to be resolved by repairing rather than replacing the whole item.
Training costs	Different products may require more or less effort spent training staff to operate specialist products if they are not user friendly
Cost of disposal	Factor in disposal costs. NB: Check whether there is a legal obligation for the retailer or manufacturer to take back and reuse or recycle packaging and/or products.