



Cambridgeshire
County Council

Sustainable Procurement Strategy

2023-2024

cambridgeshire.gov.uk

FOREWARD

Cambridgeshire is a great place to live and work but is not without its challenges. The Council has a duty to use its considerable spending power as way of delivering its vision and key objectives.

The launch of this Sustainable Procurement Strategy makes it clear that the Council's Net Zero and climate change targets are firmly at the heart of the procurement programme. Working with stakeholders and partners and building on existing networks will be important in delivering the Strategy successfully.

The focus of this Strategy is:

- Supporting local businesses and the third sector
- Increasing in delivery of social value
- Contributing to the Council's Net Zero targets
- Delivering best value outcomes
- Ensuring we have robust, compliant and transparent procurement processes.

By delivering in these areas, the Council can be confident that its procurement activity will benefit all stakeholders.

(For sign off and approval from Committee/Councillor)

WHY CAMBRIDGESHIRE COUNTY COUNCIL NEEDS A SUSTAINABLE PROCUREMENT STRATEGY

The Council's vision is to 'Create a greener, fairer, more caring Cambridgeshire'.

Like other Councils, we are faced with many economic, social and environmental challenges including the climate emergency, economic recovery/development and constrained budgets. Meeting these challenges will mean focusing on our 7 ambitions:

1. Net Zero carbon emissions for Cambridgeshire by 2045 and our communities and natural environment are supported to adapt and thrive as the climate changes.
2. Travel across the county is safer and more environmentally sustainable.
3. Health inequalities are reduced.
4. People enjoy healthy, safe and independent lives through timely support that is most suited to their needs.
5. Helping people out of poverty and income inequality.
6. Places and communities prosper because they have resilient and inclusive economy, access to good quality public services and social justice is prioritised.
7. Children and young people have opportunities to thrive.

The Council spends over £600million per annum on goods, services and works so effective and sustainable procurement solutions are key to delivering the Council's vision and priorities.

In addition, the National Procurement Policy Statement published in June 2021, outlines the national goals that public sector procurement will be expected to support the delivery of:

- Creating new businesses, new jobs and new skills;
- Tackling climate change and reducing waste; and
- Improving supplier diversity, innovation and resilience.

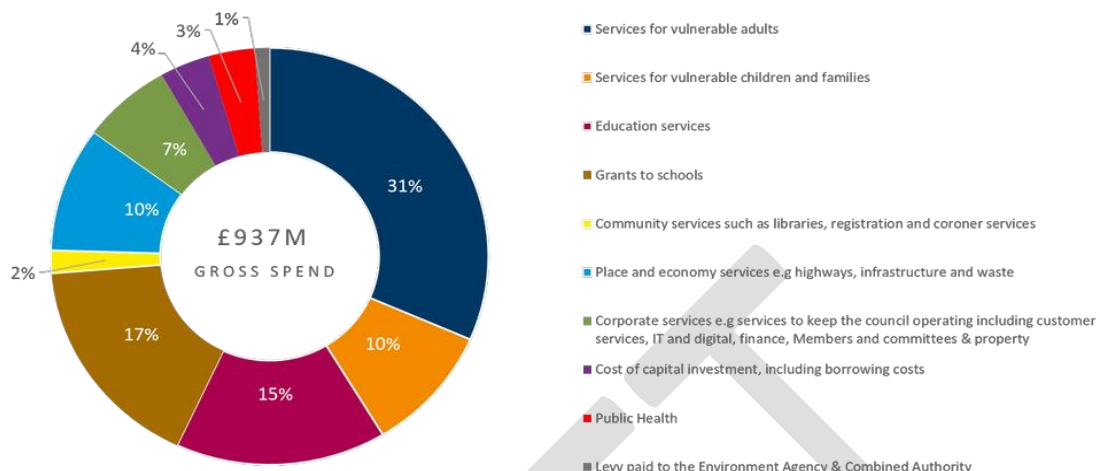
This Strategy will set out how procurement activity will support the delivery of the Council's priorities and the national priority outcomes in a way which is sustainable – our actions today will only have positive effects for those generations living in the Cambridgeshire of the future. Category Strategies, the Commercial Strategy, the Social Value Policy and other procurement related plans and policies will take the lead from this Strategy. This Strategy is concerned with procurement activity as distinct from commissioning activity, the latter being connected with the design of services, goods and works and the former being connected with the process of purchasing and managing those services, goods and works. The two areas overlap in market engagement and market development and the Council is committed to ensuring a connected approach.

CAMBRIDGESHIRE COUNTY COUNCIL: AN OVERVIEW

- Over the next 10 years it is expected that the under 25 population will grow by 12% and the over 65 population by 33%.
- Cambridgeshire has only got 6 years before it will have exhausted its 'allowed' emissions to meet the 2050 UK Net Zero Target.
- The population of the County was 678,600 in 2021.
- The County Council employs approximately 4,500 staff and there are 61 Councillors.
- Carbon Dioxide equivalent emissions are 25% higher here than the UK average.
- In some areas of Wisbech, Huntingdon and Cambridge over 30% of children live in low-income families.
- In March 2021, there were approximately 665 children in care and 2,545 adults of working age with disabilities.
- There are over 4,500 miles of roads in the County.

COUNCIL SPEND PROFILE

WHERE THE COUNCIL'S BUDGET IS SPENT – 2022/23



A sample from the Contract Register shows:

- 30% of contracts are awarded to national suppliers and a further 24% of contracts are awarded to national SMEs.
- Only 10% of contracts are awarded to Cambridgeshire based SMEs and another 2% are awarded to larger Cambridgeshire based organisations.
- A further 23% of contracts are awarded to public sector or third sector suppliers in Cambridgeshire.
- 12% of contracts are awarded to Eastern Region suppliers with 8% of those being SMEs.

THE FUNDAMENTALS OF PROCUREMENT ACTIVITY AT CAMBRIDGESHIRE COUNTY COUNCIL

Procurement activity at the Council will be sustainable and recognise the risk that inaction on climate and biodiversity will create to our economy and social fabric: it will have the most positive environmental, social and economic impacts on a whole life basis.

The Council's procurement activity will be based on the following fundamentals:

Managing Risks: we will identify, prioritise and manage risks to the Council and our communities through procurement.

Due Diligence: we will always try to find a way to address adverse sustainability impacts connected with procurement activity.

Setting Priorities: we will focus efforts on managing risks and maximising sustainability.

Avoiding Complicity: we will avoid being complicit in wrongful activity.

Exercising Influence: we will try to influence the behaviour of suppliers and other stakeholders.

There is a golden thread through procurement activity at the Council. The thread links together:

- Regulation
- Contract Procedure Rules
- Procurement Guidance and standard documentation
- Delivery of operational procurement activity

KEY SUSTAINABLE PROCUREMENT OBJECTIVES FOR CAMBRIDGESHIRE COUNTY COUNCIL

- 1 We will support the growth of local businesses and the third sector by making procurement spend more accessible.
- 2 We will increase the levels of social value delivered by our suppliers.
- 3 We will contribute to the Council's Net Zero Targets.
- 4 We will deliver best value outcomes through procurement activity.
- 5 We will ensure that our procurement processes are robust, transparent, non-discriminatory and compliant.

WE WILL SUPPORT THE GROWTH OF LOCAL BUSINESSES AND THE THIRD SECTOR BY MAKING PROCUREMENT SPEND MORE ACCESSIBLE

We will do this by:

- Increasing market engagement through 'meet the buyer' events, procurement workshops, newsletters and better web pages.
- Using procurement approaches that support smaller businesses, for example splitting procurements into Lots (to support decentralisation), considering where procurements should/could be advertised.
- Working with our key suppliers to ensure that their supply chains are as accessible as possible to local businesses and the third sector.
- Exploring the use of speedy payment options for small businesses and the third sector.

We will measure our success by:

- Monitoring the number and value of contracts awarded to businesses and third sector organisations within Cambridgeshire. We will establish a baseline using data from 2022/23 and then set targets for increase for 2023/24 onwards.
- Monitoring the number and value of contracts awarded to SMEs. We will establish a baseline using data from 2022/23 and then set targets for increase for 2023/24 onwards.
- Monitoring the number and value of contracts awarded to businesses and third sector organisations in the Eastern Region. We will establish a baseline using data from 2022/23 and then set targets for increase for 2023/24 onwards.

WE WILL INCREASE THE LEVELS OF SOCIAL VALUE DELIVERED BY OUR SUPPLIERS

We will do this by:

- Using market engagement to identify opportunities for leveraging social value in contracts.
- Using the most appropriate TOMs (Themes, Outcomes and Measures) indicators for each contract.
- Providing support and assistance to suppliers through the procurement and contract management process to enable their delivery of social value.
- Learn and develop our approach to maximise the levels of social value delivered.
- Work closely with our colleagues who work in our communities to understand more about their needs.

We will measure our success by:

- Monitoring the levels of social value delivered via our use of the Social Value Portal and other mechanisms with a target of £20,000 to be delivered during 2023/24, with that target rising by £5,000 in each of 2024/25 and 2025/26.
- Increasing the number of new contracts which include social value measures so that by the end of 2024/25 75% of available contracts are procured with social value measures embedded.

WE WILL CONTRIBUTE TO THE COUNCIL'S NET ZERO TARGETS

We will do this by:

- Using market engagement to identify options with reduced or zero carbon.
- Considering whether purchases are necessary at all, whether quantities can be reduced or whether we can use of recycled goods could work
- Collaborate on the provision of whole life cycle carbon assessments
- Use contracts to monitor and manage carbon emissions through supply chains.
- Using award criteria connected to climate change and reducing carbon emissions
- Increasing the use of a whole life costing approach to price evaluation.

We will measure our success by:

- Increasing the number of suppliers required to report on carbon emissions through contract clauses. The baseline for 2021/22 is 0. For existing suppliers it is expected that the number will increase 15% per year. For new suppliers it is expected that the number will increase by 40% per year.
- Increasing the number of contracts with climate change related performance measures. The baseline for 2021/22 is 0. For new contracts, it is expected that the number will increase by 20% and for existing contracts the increase is targeted at 10%.
- Report annual scope 3 carbon emissions reductions from procured goods and services through the Annual Carbon Footprint report accepted the current data limitations.

WE WILL DELIVER BEST VALUE OUTCOMES THROUGH PROCUREMENT ACTIVITY

We will do this by:

- Working together to identify opportunities for change and challenge current models of delivery
- Challenging the demand for goods and services and seeking to rationalise core requirements.
- Engaging markets, benchmarking and collaborating where appropriate
- Developing robust contract management actions to ensure that contracts deliver financial and non-financial performance requirements.
- Increasing the use of a whole life costing approach to price and carbon evaluation.
- Working with suppliers to mitigate risks

We will measure success by:

- Number of procurements where whole life costing was used in the carbon and/or price evaluations. The baseline for this measure of success is 0 (zero). The target for 2023/24 will be 10%.
- Establishment of contract management toolkit for use across the Council by March 2023.
- Support the Commercial Team's delivery of their efficiency target

WE WILL ENSURE THAT OUR PROCUREMENT PROCESSES ARE ROBUST, TRANSPARENT AND COMPLIANT

We will do this by:

- Delivering training to budget managers and contract managers
- Establishing and reviewing standard documentation to support a consistent approach to procurement activity
- Reviewing and improving controls to ensure compliance with Contract Procedure Rules and Financial Procedure Rules
- Embedding best practice and regulatory changes as required

We will measure success by:

- Submitting an annual procurement report to Committee updating Members on the procurement activity across the Council, the first report will be delivered in June 2023 and will continue annually thereafter.
- Monitoring the number of formal and informal challenges received and ensuring that any lessons learnt are embedded in future activity.
- Monitoring the number of waivers and their reasons. The Council already has a target to reduce the number of waivers submitted within 5 days of the waiver start date of 20%, this will continue to be monitored.

MONITORING AND REVIEW

This Strategy will be reviewed annually by the Procurement Governance Board.

Through spend and carbon footprint analysis, the Procurement Team will monitor and report on the number and value of contracts awarded to Cambridgeshire based businesses. This analysis will enable initiatives to be developed and targeted as required.

The Procurement Team will work with public sector partners in the County and the region to ensure that it is able to embed best practice as the Strategy develops.

An annual report will be submitted to the Audit and Accounts Committee to include the following information:

- An update on the progress against the outcomes detailed in this strategy.
- The number of procurements delivered
- The number of waivers approved
- The number of officers attending training

CAPACITY AND SKILLS

The Procurement Team is involved in all procurements valued over £100,000 and so will be able to ensure that the requirements of this Strategy are firmly embedded in those procurements.

Procurement and contract management training is being developed to ensure that all colleagues with commissioning, procurement and contract management responsibilities have the relevant skills and knowledge to deliver the requirements of this Strategy.

To deliver this Strategy, the capacity and skills of the Procurement Team will continue to be managed through:

- Providing opportunities for apprenticeships and CPD.
- Engaging with other local authorities, public sector organisations and other relevant organisations to support knowledge transfer.
- Providing mentoring, coaching and work shadowing opportunities
- Developing and delivering in house training and guidance to support commercial and carbon awareness and legislative knowledge
- Assessing procurement standards using benchmarking and self-assessment tools