The SUSTAINABLE PROCUREMENT Process

Requirement for new product or service /

> Expiry of existing contract

OUESTION THE DEMAND

Eliminate or reduce demand

- Question the need for the purchase
- Review opportunities to:
- share product with other users
- refurbish, repair or upgrade existing assets
- switch from disposable to reusable
- hire instead of buy
- buy as service not product
- Forecast with care to avoid over-purchasing and waste

CREATE SOURCING STRATEGY

Analyse market and plan procurement process

- Review value chain, supply base, competitiveness and cost drivers
- do local, SME or social enterprise suppliers exist?
- Assess technology and service
- Identify social and environmental impacts and opportunities
- Select tender process:
- competition or partnering - single or multi-sourcing

MANAGE TENDER **PROCESS**

IMPLEMENT CONTRACT

Monitor performance

- Ensure supplier delivers to specifications
- Ensure supplier follows environmental and health and safety procedures
- Monitor customer satisfaction, quality, delivery and contract costs
- Assess social and environmental

IMPROVE PERFORMANCE

Improve performance

- Develop suppliers
- Support implementation of environmental management systems (ISO14001)
- Review product design to phase out hazardous chemicals and reduce energy consumption
- Minimise deliveries, packaging and waste
- Raise poor working conditions and pay
- Encourage engagement of SMEs and social enterprises as subcontractors

CREATE **SPECIFICATIONS** DRAFT TENDER DOCUMENT

Use specifications to design in sustainability

- Energy and water efficiency
- Recycled content
- Reusable packaging and products
- No hazardous chemicals
- Sustainably managed timber, fibres, crops and fish from the UK
- Eco-label equivalent performance
- Local labour
- Minimum training requirements

ADVERTISE TENDER

Engage local SMEs and social enterprises

- Advertise in local media
- Hold bidder conferences to brief suppliers
- Minimise red tape for bidders
- Disaggregate national contracts into local or regional lots for local firms
- Communicate evaluation criteria, including social and environmental objectives

PRE-OUALIFY SUPPLIERS

Select preferred bidders

- Remove suppliers with recent environmental or health and safety convictions
- Remove suppliers with poor quality or service
- Where possible, seek proof of environmental and health and safety practices
- Where possible, require compliance to minimum standards for working conditions and pay

EVALUATE BIDS

Select 'most economically advantageous' bid

- Assess whole life costs of purchase (sustainable choices often have lower operating and disposal costs)
- Assess quality, functional performance, delivery, social and environmental performance
- Score bids against evaluation criteria
- Select preferred bidder
- Debrief unsuccessful bidders

NEGOTIATE & AWARD CONTRACT

Finalise contract

- Require compliance to site environmental and health and safety procedures
- Agree monitoring and reporting requirements to ensure delivery to specifications (including social and environmental requirements)
- Agree penalties for poor performance

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