

## **Item: 10**

**Policy and Resources Committee: 22 June 2021.**

**Sustainable Procurement Policy.**

**Report by Executive Director of Development and Infrastructure.**

### **1. Purpose of Report**

To present the draft updated Sustainable Procurement Policy and Sustainable Procurement Impact Assessment.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That the Sustainable Procurement Policy, approved in March 2018, has been reviewed and updated to incorporate changes in legislation, Scottish Procurement Policy Notes and recommendations arising from the internal audit on the procurement and importation of stone to Cursiter Quarry, reported to the Monitoring and Audit Committee on 11 March 2021.

#### **2.2.**

The draft Sustainable Procurement Policy, attached as Appendix 1 to this report, which would be subject to public consultation.

**It is recommended:**

#### **2.3.**

That the draft updated Sustainable Procurement Policy referred to at paragraph 2.2 above, be approved for consultation.

#### **2.4.**

That the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 21 September 2021, detailing the outcome of the consultation exercise, referred to at paragraph 2.3 above, together with a final version of the Sustainable Procurement Policy.

#### **2.5.**

That the Sustainable Procurement Impact Assessment, attached as Appendix 2 to this report, be approved for immediate implementation.

## **3. Background**

### **3.1.**

The Council's approach to the Sustainable Procurement Duty is detailed in the Procurement Strategy and Council's Contract Standing Orders as below:

#### **3.1.1.**

Before undertaking a Tendering exercise the Relevant Officer shall take into account the social, economic and environmental impacts of the proposed Contract and whether the Contract will contribute to the achievement of sustainable development in accordance with the Sustainable Procurement Duty and the Council's Sustainable Procurement Policy: <https://www.orkney.gov.uk/Service-Directory/P/sustainable-procurement.htm>

#### **3.1.2.**

For any procurement equal to or greater than £4,000,000, the Council must consider whether to impose community benefit requirements as part of the procurement.

#### **3.1.3.**

The Chief Executive, Executive Directors or Chief Officer will consider only factors that are relevant and proportionate to the proposed Contract.

### **3.2.**

On 20 February 2018, the Policy and Resources Committee noted the outcome of consultation and thereafter recommended that the revised Sustainable Procurement Policy be approved.

### **3.3.**

On 11 March 2021, the Monitoring and Audit Committee considered an internal audit report on the procurement and importation of stone to Cursiter Quarry.

## **4. Draft Updated Sustainable Procurement Policy**

### **4.1.**

Procurement cuts across all Council services and forms an integral part of the Council's ability to achieve its declared strategic priorities as detailed below:

- Connected Communities.
- Caring Communities.
- Thriving Communities.
- Enterprising Communities.
- Quality of Life.

## **4.2.**

The updated Sustainable Procurement Policy, attached as Appendix 1 to this report, has incorporated major changes in legislation since 2017 including:

- The Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.
- The Fairer Scotland Duty.
- Equality Act (Part 1 of the Equality Act 2010) – commenced 2018.
- The Climate Change (Emissions Reduction Targets) (Scotland) Order 2015.
- Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.
- Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020.

## **4.3.**

The updated Sustainable Procurement Policy has incorporated the Scottish Procurement Policy Note issued by the Scottish Government taking account of Climate and Circular Economy Considerations (SPPN) 01/2021 and the Implementation of Fair Work First in Scottish Procurement (SPPN) 03/2021.

## **4.4.**

In addition, a link is included to the newly launched Scottish Government suite of Sustainable Procurement Tools to help public sector organisations identify and address how they can optimise the economic, social and environmental outcomes of their procurement activity has been included. These tools will be used where appropriate and where they add value to the procurement exercises being undertaken.

## **4.5.**

The updated Sustainable Procurement Policy also includes reference to Scotland's National Performance Framework (NPF) and Scotland's National Outcomes and Indicators achieving a line of sight between procurement activity and local and national strategic priorities.

## **4.6.**

For Outcome 4 where sustainable procurement is embedded within the Council, in accordance with the recommendations of the Internal Audit report referred to at section 3.3 above, two additional commitments have been made as follows:

- Paragraph 8.34: We will introduce a Sustainable Procurement Impact Assessment for all relevant goods, services and works contracts where there is potential to minimise the use of carbon-based energy and its associated emissions.
- Paragraph 8.35: We will consider where appropriate the use of lotting strategies to maximise access to contract opportunities by smaller contractors and to optimise the contribution to a circular economy in Orkney.

## 4.7.

A Sustainable Procurement Impact Assessment (SPiA) has been developed to assist with embedding relevant and proportionate sustainability requirements in the development of contracts and frameworks. The SPiA is attached as Appendix 2 to this report.

## 5. Timetable for Consultation

A public consultation process will commence on 8 July 2021 with the documentation available via the Council website and the OIC Facebook page. Direct invitations to participate will be made to relevant commercial and third sector organisations. The consultation will take place over a 4-week period with a deadline for responses of 6 August 2021, with publication of the final Sustainable Procurement Policy completed by 5 October 2021.

<b>Description.</b>	<b>Commencement Date.</b>	<b>Completion Date.</b>
Launch Draft Sustainable Procurement Policy Consultation via Council Website, OIC Facebook and direct emailing.	8 July 2021.	6 August 2021.
Collation of responses and revisions to Policy and consideration via the committee cycle.	20 August 2021.	21 September 2021.
Publication of Sustainable Procurement Policy.	5 October 2021.	Not applicable.

## 6. Corporate Governance

This report relates to the Council complying with governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## 7. Financial Implications

The Sustainable Procurement Policy contains several laudable aims and objectives and considers the social, economic, and environmental consequences of what is being procured but that could come at an additional cost to the Council. It is not really possible to quantify what the cost of adherence to the policy will be, but it must be recognised that if contract awards are made in line with the policy there may be an additional cost to the Council where lowest price is not the award criteria.

## 8. Legal Aspects

Section 1 of the Local Government in Scotland Act 2003 obliges the Council to make arrangements that secure best value.

## **9. Contact Officers**

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## **10. Appendices**

Appendix 1: Draft Updated Sustainable Procurement Policy, including the following appendices:

Appendix 2: Procurement Sustainability Impact Assessment.



# **Sustainable Procurement Policy**

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## Document Control Sheet.

Review / approval history.

Date.	Name.	Position.	Version Approved.
March 2018.	General Meeting of the Council.	n/a.	Version 1.0.
TBC.	General Meeting of the Council	n/a.	Version 2.0.

Change Record Table.

Date.	Author.	Version.	Status.	Reason.
May 2021.	Rosemary Colsell.	2.0.	Final.	Reviewed and updated.

## 1. Introduction

This policy sets out the general principles that the Council will follow across all of its procurement and commissioning activities to ensure that it is undertaken in a sustainable manner.

It sets out how OIC will plan and manage its procurement activities to meet the Council's corporate aims and objectives and comply with regulatory and legislative requirements.

This policy supports the commitment to sustainable procurement which is set out in the Council's [Corporate Procurement Strategy 2019 to 2021](#).

It is intended for all of those who are involved in, or affected by, the Council's procurement activities throughout our community and beyond.

Orkney Islands Council spends tens of millions of pounds each year on a diverse range of goods, services and works from third parties. It is important therefore that this spending power is used to support key Council objectives. This sustainable procurement policy has been developed to help the Council to meet its legal duties and to deliver its key strategic objectives.

Sustainable procurement supports the Council's values, as outlined in [Orkney Islands Council's Delivery Plan 2018 to 2023](#).

Procurement cuts across all Council services and forms an integral part of the Council's ability to achieve its declared strategic priorities as detailed below:

- Connected Communities.
- Caring Communities.
- Thriving Communities.
- Enterprising Communities.
- Quality of Life.

Whilst procurement is a key enabler across all the Council's priorities; Caring, Thriving and Enterprising Communities are those where a direct impact can be made.

The Council's values guide the way in which it procures supplies, services and works:

- Resilience.
- Enterprise.
- Equality.
- Fairness.
- Innovation.
- Leadership.
- Sustainability.

This Policy outlines how sustainable procurement supports and contributes to the implementation of the Council's Delivery Plan 2018 to 2021.

## 2. Background

Orkney Islands Council required an up-to-date Sustainable Procurement Policy to reflect recent significant changes in public procurement legislation.

The Policy reflects the requirements of the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016, the Concession Contracts (Scotland) Regulations 2016, the Utilities Contracts (Scotland) Regulations 2016 and the Public Contracts (Scotland) Amendment Regulations 2016. These and other major pieces of legislation including the Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, the Fairer Scotland Duty, Equality Act (Part 1 of the Equality Act 2010) – commenced 2018), have informed the Council's Contract Standing Orders, details of which are contained in the Procurement Strategy.

This policy should be read in conjunction with the Council's Corporate Procurement Strategy and the Council's Contract Standing Orders. It applies to the procurement of all goods, services and works. It aims to ensure that Council procurement activities contribute to the social, economic and environmental well-being of our remote and fragile islands communities, both now and in the future.

The Sustainable Procurement Policy also reflects changes brought about by the requirements of the Community Empowerment Act Scotland 2015, a fundamental review of Community Planning Partnerships, and the development of a new Local Outcomes Improvement Plan (LOIP), which has replaced the Single Outcome Agreement and the integration of Health and Social Care. The Children and Young People (Scotland) Act 2014 is also a diverse piece of legislation affecting many services.

The Climate Change (Emissions Reduction Targets) (Scotland) Order 2015, Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 and the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 will increasingly be reflected in the Council's Policy and subsequent sustainable procurement considerations.

This Policy outlines how the Council takes a responsible and sustainable approach to procurement.

## 3. What is Sustainable Procurement?

Definition:

'Sustainable Procurement is a process whereby organisations meet their needs for goods, services and works in a way that achieves value for money on a whole life basis and generates benefits not only to the organisation, but also to society, the economy and the environment'.

Sustainable procurement considers the social, economic and environmental consequences of what is procured through all stages of its life-cycle. This includes considering design, resource extraction and sourcing, manufacturing and production, transportation, service delivery, operation and maintenance, reuse, recycling and disposal. It is also about questioning whether the purchase requires to be made at all.

Sustainable procurement also considers the capacity of suppliers to address these consequences throughout the entire supply chain.

## 4. Sustainable Procurement Duty

The Council is required to comply with the requirements of the Sustainable Procurement Duty under section 9 of Procurement Reform (Scotland) Act 2014, as follows:

The Sustainable procurement duty is the duty of a contracting authority:

A. Before carrying out a regulated procurement, to consider how in conducting the procurement process it can:

1. Improve the economic, social, and environmental wellbeing of the authority's area;
2. Facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and
3. Promote innovation, and

B. In carrying out the procurement, to act with a view to securing such improvements identified as a result of paragraph A1.

The Council is also obliged to have regard to the Procurement Reform (Scotland) Act 2014 statutory guidance as detailed below:

The [Sustainable Procurement Duty](#); and [Community Benefit Requirements in Procurement](#).

Selection of Tenderers and [Award of Contracts: Addressing Fair Work Practices](#), including the Living Wage, in Procurement.

[Procurement of Health and Social Care Services](#).

Scottish Procurement Policy Note (SPPN) [07/2016 - Update to Guidance on the Procurement of Care and Support Services \(Best Practice\)](#).

[Taking Account of Climate and Circular Economy Considerations in Public Procurement \(SPPN\) 01/2021](#).

Scottish Procurement Policy Note (SPPN) [03/2021 Implementation of Fair Work First in Scottish Public Procurement](#).

All Contracts that are awarded by the Council, regardless of value, are subject to an obligation to seek best value and to demonstrate transparency, equal treatment, non-discrimination and proportionality.

The Scottish Government has designed a suite of Sustainable Procurement Tools to help public sector organisations identify and address how they can optimise the economic, social and environmental outcomes of their procurement activity available at <https://sustainableprocurementtools.scot/>. These tools will be used where appropriate and where they add value to the procurement exercises being undertaken.

The detailed risks and opportunities in the sustainable procurement tools align with Scotland's [National Performance Framework](#) (NPF) and Scotland's [National Outcomes and Indicators](#) achieving a line of sight between procurement activity and local and national strategic priorities:

- Materials.
- Waste.
- Hazardous materials.
- Biosecurity.
- Biodiversity.
- Heritage.
- Water.
- Employment, skills and training.
- Communities.
- Equality.
- Fair Work.
- Fairly and Ethically Traded.
- Health & Wellbeing.
- Security & Crime.
- Climate Change.
- Materials.
- Waste.
- Hazardous materials.
- Biosecurity.
- Biodiversity.
- Heritage.
- Water.
- Employment, skills and training.
- Communities.
- Equality.
- Fair Work.
- Fairly and Ethically Traded.
- Health & Wellbeing.
- Security & Crime.

Deleted: <#>Climate Change.¶

## 5. Benefits of Sustainable Procurement

The Council recognises and wishes to maximise the benefits achievable through sustainable procurement. Sustainable procurement can deliver additional benefits for the Council while contributing to the social, economic and environmental well-being of people and places. For example, sustainable procurement will enable the Council to:

- Achieve value for money by avoiding unnecessary purchasing, by considering and then lowering the whole life costs of goods, services and works and through improved resource efficiency.
- Report on progress towards meeting its legal duties and other obligations in relation to climate change and sustainable development.
- Stimulate the market and encourage innovation for sustainable products and services.
- Support the local supply community by engaging with Small and Medium Enterprises and Third Sector organisations so they can compete for Council contracts.

- Help build a sustainable supply chain for the future and improve supplier relationships.

## **6. General approach to Sustainable Procurement**

The Council's approach to sustainable procurement is as follows:

- We will ensure that our procurement of goods, services and works contributes to achieving our vision of a truly sustainable supply chain.
- We will ensure that our procurement minimises its contribution to climate change and supports goods, services and works that are well-adapted to the consequences of a changing climate.
- We will deliver value for money by realistically assessing, where appropriate, the whole life-cycle costs of our procurement and not simply considering the initial purchase price.
- We will ensure that what we intend to purchase is necessary and that, where appropriate, there is a business case for doing so. We will specify our requirements so as to meet the needs of users and to avoid purchasing more than is needed.
- We will carry out sustainable procurement activities whilst complying within the public procurement legal framework which is intended to promote fair and open competition.
- We will ensure that when developing our requirements for goods, services and works we assess the possible social, economic and environmental impacts of our procurement and actively seek to contribute to the social, economic and environmental well-being of our remote and fragile island communities. Where appropriate to the subject matter of the contract, this to be undertaken as part of pre-market engagement and consultation.
- We will not knowingly procure goods, services and works that impact negatively on places, people and other species both locally and elsewhere.
- Where appropriate, we will consult with the people whose needs we aim to meet through our procurement to ensure that we procure goods, services and works that meet their needs.
- We will not intentionally discriminate against specific groups of people when undertaking our procurement activities and will promote equality in line with legislative requirements.
- We will support the aims of the Modern Slavery Act 2015 and ensure that our suppliers provide us with confirmation of their compliance with the Act.
- Where it is appropriate and proportionate to do so we will procure goods and services in line with the best practice guidance set out in the Scottish Government Procurement Journey and any other relevant best practice guidance.
- We will consider the effects of island proofing where appropriate and in light of anticipated guidance issued by the Scottish Government.

## **7. Scope and Implementation of the Policy**

Practical guidance on how sustainable procurement can be embedded into the Council's procurement processes is available on the Scottish Government's website. This is contained within the Scottish Government's 'Procurement Journey' best practice procurement toolkit.

In line with the Council's Contract Standing Orders we will use the Sustainable Procurement suite of tools contained in the Procurement Journey to support implementation and to ensure that our procurement approach and processes are relevant and proportionate to the Orkney Islands Council context.

The initial focus will be on priority commodities, services and suppliers i.e. those which are identified by the Council as being associated with the highest social, economic and environmental risks and opportunities.

Delivery of the commitments made in this policy will be supported through the implementation of the Council's Procurement Strategy 2019 to 2021 and the Council's Procurement Annual Report. Progress against the stated objectives will be monitored and reported on an annual basis as part of the Procurement Service Improvement Action Plan 2019 to 2021 via the Council's Performance Management System.

## **8. Outcomes from Sustainable Procurement**

### **Outcome 1: the social and economic benefits from our sustainable procurement are maximised.**

8.1. We will, where appropriate, build into the procurement process options for suppliers to offer training, employment, work experience placements, apprenticeships and volunteering opportunities for members of our local communities including people experiencing long-term unemployment including adults with learning disabilities registered on employment support schemes, and young people not in employment, education or training.

8.2. We will encourage suppliers to communicate to our local communities, employment opportunities arising from our procurement activities.

8.3. In accordance with the requirements of the Sustainable Procurement Duty of the Procurement Reform (Scotland) Act 2014, we will consider how, in conducting the procurement process, we can facilitate the involvement of small and medium enterprises and third sector bodies. We will, wherever possible, ensure that our procurement processes as far as possible are proportionate and relevant to the economic benefits and scale of the contract.

8.4. We will, where possible, reserve contracts for Supported Businesses under Regulation 21 of the Public Contracts (Scotland) Regulations 2015 where their prices and capacity to deliver the contract is comparable to the rest of the market.

8.5. We will not knowingly purchase goods and services from suppliers that trade in slavery, prostitution, and illegal drugs. We will not knowingly work with suppliers who breach International Labour Organisation conventions. In accordance with the Modern Slavery Act 2015 we will ensure our suppliers, where relevant to the subject matter of the contract, complete a compliance statement and provide evidence of compliance with their obligations under relevant international legislation where requested to do so.

8.6. We will, where practicable and where it is sustainable, purchase fair trade options certified by appropriate independently verified accreditation schemes as a means of helping excluded and disadvantaged producers, including independent small farmers, to access international markets and receive a fair price for their products. Where certification by accreditation schemes is an optional requirement we will make clear in the tender documentation how this will be evaluated.

8.7. In accordance with the requirements of the Procurement Reform (Scotland) Act 2014 in relation to the provision of food, we will take measures to improve the health, wellbeing and education of the local community. We will, where practicable and where it is sustainable, specify fresh, seasonal and nutritious food.

8.8. We will not knowingly purchase genetically modified food or food with genetically modified ingredients.

8.9. We will specify Protected Geographical Indication and Protected Designation of Origin standards where they are justified by menu requirements.

8.10. In line with the requirements of the Procurement Reform (Scotland) Act 2014 in relation to the provision of food, we will promote the highest standards of animal welfare through our procurement. We will consider animal welfare throughout the supply chain and appropriate independently verifiable accreditation schemes, when making procurement decisions, and wherever possible, will not purchase goods which have been developed using animal testing.

8.11. In accordance with Regulation 47 of the Public Contract (Scotland) Regulations 2015, we will consider dividing contracts into small lots to encourage the active participation of our local businesses in the procurement process.

8.12. We will build into our procurement processes opportunities as appropriate for suppliers to propose provision of goods, services or works guaranteed by independent accreditation schemes. We recognise that there are a range of independently accredited quality schemes where the additional costs deliver significant environmental, social, quality or animal welfare benefits.

**Outcome 2: the negative environmental impacts are minimised and the environmental benefits maximised from our procurement.**

8.13. We will procure goods, services and works that minimise carbon-based energy use and its associated emissions, use of non-renewable resources, waste creation and pollution to air, water and land. In doing so, we will consider all stages of the life-cycle including design, resource extraction and sourcing, manufacturing and production, transportation, service delivery, operation and maintenance, reuse, recycling and disposal.

8.14. We will, where appropriate and where it is sustainable, purchase fewer new goods by re-using, repairing, refurbishing or remanufacturing existing goods, in line with Scotland's 2016 Circular Economy Strategy 'Making Things Last' and where this is relevant to our Island context.

8.15. We will, where appropriate and where it is sustainable, specify goods and materials made with recycled material.

8.16. We will not purchase goods and materials that are made of plastic which cannot be recycled where alternative options are available, and we will seek to minimise the purchase of recyclable plastics where alternative goods and materials can be used.

8.17. We will specify minimum packaging, reusable packaging and packaging take-back.

8.18. We will specify energy efficient goods, services and works in line with current best practice standards and specifications.

8.19. We will ensure that the vehicles we purchase, lease or hire have low emissions of greenhouse gases and air pollutants.

8.20. We will procure timber and timber-based goods from verifiable sustainable sources that evidence clear chains of custody.

8.21. We will, in exercising our procurement function, meet the duty to further the conservation of biodiversity arising from the Nature Conservation (Scotland) Act 2004. We will, where appropriate, specify through our procurement processes requirements which protect and enhance green spaces, habitats, species, sustainable farming practices and biodiversity both locally and globally. In particular, we will protect and enhance priority habitats and species in Orkney.

**Outcome 3: Orkney Islands Council has a more sustainable supply chain.**

8.22. We will work with suppliers and encourage them, whenever possible, to use more sustainable goods, processes and working practices in their own business operations and encourage them to engage in sustainable procurement activities within their own supply chains.

8.23. We will encourage suppliers, through the inclusion of sustainability criteria in our tendering process, to develop innovative and competitively priced sustainable goods, services and works.

8.24. We will ensure suppliers comply with their commitments to the sustainability criteria within our specifications and their tender submissions by building in proportionate, effective monitoring and management into contract arrangements.

8.25. Outcomes to define success will be developed in liaison with suppliers as part of the contract management process.

8.26. We will consider methods of incentivising investment and promoting a culture of improvement by suppliers in sustainable development on a contract by contract basis where this is practicable and appropriate.

**Outcome 4: sustainable procurement is embedded within the Council.**

8.27. We will establish clear leadership to drive the embedding and continuous improvement of sustainable procurement within the Council.

8.28. We will communicate this policy and accompanying guidance to all Council staff.

8.29. We will undertake an assessment of third party expenditure to identify those contracts associated with the highest risk and greatest opportunity for improvement. This will be based on an analysis of spend, risk, scope for improvement and our influence of the market.

8.30. We will develop and continuously improve the sustainable procurement skills and knowledge of Council staff involved in procurement activities. This will include those responsible for identifying a need to procure goods, services and works, those involved in evaluating tenders and those responsible for contract and supplier management.

8.31. We will subject all major requirements for goods, services and works to a sustainability test during the development of procurement plans. This will question whether requirements can be reduced or avoided altogether by delivering outcomes in other ways; that social, economic and environmental impacts and benefits have been identified and that whole life-cycle costs have been considered.

8.32. Where relevant, we will include sustainability criteria in tender documentation and our tender evaluation process.

8.33. We will measure and report on our progress in embedding and continuously improving sustainable procurement and its contribution to delivering sustainable outcomes annually.

8.34. We will introduce a Sustainable Procurement Impact Assessment for all relevant goods, services and works contracts where there is potential to minimise the use of carbon-based energy and its associated emissions. See Appendix One to this policy.

8.35. We will consider where appropriate the use of lotting strategies to maximise access to contract opportunities by smaller contractors and to optimize the contribution to a circular economy in Orkney.

## 9. Other relevant policies and procedures

Sustainable procurement also contributes to delivery of a range of Council policies and strategies, some of which have reporting requirements relating to procurement activities. These include:

- The Equality Act 2010 and The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.
- The Council's climate change targets and carbon management plan (including the annual Climate Change Reporting requirements).
- The Council's environmental management and waste management procedures.

Sustainable procurement can also make a significant contribution to the development of the 'Circular Economy' by adopting the principles of ['Making Things Last – A Circular Economy Strategy for Scotland'](#). In a circular economy, systems are designed to make better use of valuable products and materials – changing the way they are produced and managed to have less impact on finite natural resources, and create greater economic benefit.

## 10. Monitoring and Reporting

The Council's progress in sustainable procurement will be reported as part of our annual procurement report. The annual procurement report is a requirement of the Procurement Reform (Scotland) Act 2014. We will use this report to demonstrate compliance with other legislation that places specific requirements on the Council with respect to our procurement activities, for example, the Equality Act 2010 and The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

## 11. Review

We will review this Policy as required to ensure that it remains in line with the Council's Procurement Strategy and the Council's Delivery Plan.



# Sustainable Procurement Impact Assessment

The purpose of a Sustainable Procurement Impact Assessment (SPIA) is to improve the work of Orkney Islands Council by ensuring that its procurement activities contribute to the social, economic and environmental well-being of our remote and fragile islands communities, both now and in the future. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

<b>1. Identification of Function, Policy or Plan.</b>	
Name of function / policy / plan to be assessed.	
Service / service area responsible.	
Name of person carrying out the assessment.	
Contact details	
Date of assessment.	
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	

<b>2. Initial Screening.</b>	
What are the intended outcomes of the project / function / policy / plan?	
State who is, or may be affected by this project / function / policy / plan, and how.	
How have stakeholders been involved in the development of this project / function / policy / plan?	
Is there any existing data and / or research relating to sustainable procurement issues in this area? Please summarise.	

## 2. Initial Screening.

E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking.

### Could the project / function / policy have a differential impact on any of the following sustainable procurement strands?

<b>Supply Chain:</b> Will the procurement of goods, services and works contribute to achieving our vision of a truly sustainable supply chain?	Yes / No.
<b>Climate Change:</b> Will the procurement minimise contribution to climate change and support goods, services and works that are well-adapted to the consequences of a changing climate?	Yes / No.
<b>Whole life-cycle costs:</b> Will the procurement deliver value for money by realistically assessing, where appropriate, the whole life-cycle costs of the goods, services and works procurement and not simply considering the initial purchase price?	Yes / No.
<b>Fair and open competition:</b> Will the sustainable procurement activity comply with the public procurement framework and our Contract Standing Orders, which are intended to promote fair and open competition?	Yes / No.
<b>Social, economic and environmental impact:</b> Will the procurement ensure that when developing our requirements for goods, services and works, the possible social, economic and environmental impacts of our procurement are assessed as actively seeking to contribute to the social, economic and environmental well-being of our remote and fragile island communities?	Yes / No.
<b>Engagement with the market:</b> Where appropriate to the subject matter of the contract, is pre-market engagement and consultation to be undertaken for this to consider sustainability issues for this procurement?	Yes / No.
<b>Places, people and other species:</b> Will this procurement of goods, services and works impact negatively on places, people and other species both locally and elsewhere?	Yes / No.
<b>Meeting the needs of People:</b> Where appropriate will consultation take place with the people whose needs we aim to meet through our procurement to ensure that we procure goods, services and works that meet their needs?	Yes / No.
<b>Equality Issues:</b> Will this procurement not intentionally discriminate against specific groups of people when undertaking our procurement activities and promote equality in line with legislative requirements?	Yes / No.
<b>Modern Slavery Act 2015:</b> Where appropriate will this procurement exercise support the aims of the Modern Slavery Act 2015 and	Yes / No.

<b>Could the project / function / policy have a differential impact on any of the following sustainable procurement strands?</b>	
ensure that our suppliers provide us with confirmation of their compliance with the Act?	
<b>Island Proofing:</b> Have the effects of island proofing been considered where appropriate and in light of the anticipated guidance issued by the Scottish Government?	Yes / No.
<b>Fair Work First:</b> Will this procurement exercise include adoption of the Fair Work First principles where this is appropriate to the subject matter of the contract?	Yes / No.
<b>Circular Economy:</b> Where appropriate and proportionate to the contract have the Circular Economy outcomes been considered for inclusion in this procurement exercise?	Yes / No.
<b>Community Benefits:</b> Are there any opportunities for Communities Benefit through this procurement exercise?	Yes / No.

<b>3. Impact Assessment.</b>	
Does the analysis above identify any differential impacts which need to be addressed?	Yes / No.
How could you minimise or remove any potential negative impacts?	
Do you have enough information to make a judgement? If no, what information do you require?	Yes / No.

<b>4. Conclusions and Planned Action.</b>	
Is further work required?	Yes / No.
What action is to be taken?	
Who will undertake it?	
When will it be done?	
How will it be monitored? (e.g. through service plans).	

<b>5. Signature.</b>	
Name.	
Signature.	

Once completed this form should be submitted to [procurement@orkney.gov.uk](mailto:procurement@orkney.gov.uk).