



Using our buying power to go green

From overseeing multimillion-pound construction projects and awarding contracts for vital public services to ordering paper-clips, there is no area of local government's annual spending, which totals £40bn in England alone, which could not be affected by consideration of sustainability issues.

The UK Government's Sustainable Procurement Action Plan was published earlier this month. This sets out policies, performance frameworks and practices that are being put in place to ensure the public sector's massive spending power is harnessed to contribute to targets for energy, waste and water efficiency, including a pledge to be carbon neutral by 2012.

The plan draws on the Gershon efficiency agenda, Sustainable Procurement Task Force findings, the Treasury's Transforming Government Procurement report, and the Stern recommendations on climate change.

Local government is expected to submit its response this summer. I and my colleagues on the local government

sustainable procurement working group have been meeting for this purpose.

The plan reports that 42% of councils surveyed already have a procurement strategy which addresses sustainability. The potential to use local government's buying power more astutely is widely recognised.

Peter Moffat, head of property and facilities at Warrington Council, points out that with his authority's annual energy bill alone amounting to £5m, 'it would be a false economy to look at this just in terms of cost and not in terms of sustainability'. And this principle can be applied to any number of council activities.

But, this is not just about specific activities and products, it should go right to the heart of local government's leadership role and be embedded in the thinking of all council departments.

At its first meeting, the group concluded that councils were well-placed to lead by example, and could use their status as employers and community

leaders to raise awareness of how purchasing contributed to the wider social, environmental and economic wellbeing of local places.

For example, public sector spending accounts for 50% of GDP in the North East, and this could be a lever to help local authorities engage with small business, social enterprises and the voluntary sector to develop the local supply chain.

A key local authority role in promoting sustainable procurement lies in removing barriers to participation in the tendering process faced by those local firms, ethical suppliers and social enterprises and building their capacity to bid.

This requires a delicate balance between having clear principles and priorities in place when introducing sustainable procurement measures and being flexible enough to stimulate innovation and capture opportunities as they arise.

There are undoubtedly barriers to overcome. European Union procurement Directives prevent discrimina-

Paul O'Brien examines what can be done to ensure councils' multi-billion pound annual spending power has long-term environmental and social benefits

tion against suppliers due to their geographical origin. But this regime is becoming more permissive to reflect the connection between economic growth and wider environmental and social considerations.

Imaginative use of tendering, procurement and performance processes does, in fact, provide ways to overcome restrictions and achieve maximum community benefits without acting illegally. This is outlined in APSE's publication Maximising local potential: Achieving community benefit via procurement.

Awareness of these community benefits clauses could mean that, for example, Building Schools for the Future contracts could specify that long-term unemployed people should be trained as part of a construction programme. APSE believes that appointing community benefits coordinators would allow such benefits to be linked to the supply and training of local labour and other wider issues.

And for its part, central government must provide consistency and look at barriers to sustainable procurement it could break down. Whitehall must also recognise the extra cost of procuring sustainably, as taking environmental and social matters on board is inevitably more expensive in the short term.

It is indeed, a false economy to look merely at cost when there is so much more at stake. ■

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