

DRAFT - Social Responsibility and Sustainability in Procurement

1. A Socially Responsible and Sustainable Procurement Policy

- 1.1.** The Council has a responsibility to manage public money with integrity, to ensure that value for money is achieved and to manage it to meet wider Council objectives. The Council has adopted the Welsh Government's definition of procurement, "the 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.
- 1.2.** Swansea Council recognises that its procurement activity can have significant social, economic, environmental and cultural impact and this policy aims to provide a structured framework for embedding socially responsible objectives as part of our everyday procurement processes.
- 1.3.** The development of the policy has coincided with the end of the Covid19 pandemic and it is clear that the policy and our procurement activity should stimulate and help deliver a green recovery, supporting both environmental and economic goals and the Council's Achieving Better Together transformation framework and its associated Recovery Plan.

2. Policy Aim

- 2.1.** This Policy aims to embed a sustainable and socially responsible procurement approach across all the areas of spend, making the best use of the Council's expenditure to support frontline services, whilst achieving the best balance between finance and maximising social, economic, environmental and cultural value, in a responsible and sustainable manner and in accordance with the law, particularly the United Kingdom Public Contract Regulations. The Council is committed to the responsible management of its procurement process in order to deliver value for money, whilst actively pursuing environmental and socially responsible products, services and works.

3. Policy Objectives

- 3.1.** Our objectives under this policy are to:
 - Minimise our environmental impact through selection and usage of goods, works and services through a circular procurement approach (where appropriate).

¹ Procuring the Future 2006 – Sustainable Procurement Task Force definition and Welsh Government's Wales Public Procurement Policy Statement 2015.

- Ensure that procurement activities are undertaken in such a way that all suppliers, including small and medium enterprises are encouraged to bid for council contracts in line with the Opening Doors Charter of the Welsh Government.
- Create an environment that provides opportunities to maximise the benefits arising from the inclusion and application of social criteria within procurement activities.
- Ensure value for money assessments are based, where appropriate, on whole life costing and social impact, not just initial purchase price.
- Record the social value considerations undertaken in our procurement activity.

4. Swansea Policy Drivers

- 4.1. This Policy has taken into account and is structured around the following key local Swansea Policy drivers and initiatives.
- 4.2. The **Council Corporate Plan** demonstrates how the Council will contribute to the social well-being, economic, cultural and environmental of residents and sets the overarching strategic framework for this policy.

The Council's Well-being objectives are:

- Safeguarding people from harm
- Improving Education & Skills
- Transforming our Economy & Infrastructure
- Tackling Poverty
- Maintaining and enhancing Swansea's Natural Resources and Biodiversity
- Transformation & Future Council development

4.3. Swansea Public Service Board Local Well-being Plan: 'Working Together to Build a Better Future'

Swansea Public Services Board (PSB) is made up of four statutory members of the Board; Abertawe Bro Morgannwg University Health Board, Natural Resources Wales, the Fire and Rescue Service and the Council. The Board also involves other organisations that have an interest in the wellbeing of the area for example the police and the universities.

Swansea's PSB published 'Working together to Build a Better Future' their first Local Well-being Plan. The Plan identifies four objectives for collective action underpinned by a cross cutting action:

- **Early years:** to ensure that children have the best start in life to be the best they can be.
- **Live well, Age well:** to make Swansea a great place to live and age well.
- **Working with Nature:** to improve health, enhance biodiversity and reduce our carbon footprint.

- **Stronger Communities:** to build stronger communities with a sense of pride and belonging.
- **Cross Cutting Action:** to work towards integrated public services in Swansea by sharing resources, assets and expertise.

4.4. Procurement Strategy 2022- 2026 - The Council's Procurement Strategy set an increased focus on maximising social, economic, environmental and cultural wellbeing through its procurement activity.

4.5. Swansea Bay City Deal Procurement Principles - The 15-year Swansea Bay City Region City Deal is a once in a lifetime portfolio of projects and programmes with an approach to procurement that must be sustainable to build a better future for future generations. These principles have been developed for use on projects as part of the Swansea Bay City Deal. The principles encourage a fresh look at the way works, goods and services are specified and procured, so that the maximum economic, social, and environmental benefit to the region can be achieved from the process.

4.6. United Nations Convention on the Rights of the Child (UNCRC) - The council is committed to making sure that our policies and functions have a positive effect on the children and young people in Swansea. We have embedded the United Nations Convention on the Rights of the Child (UNCRC) into the way we set our policies.

The Council's Children and Young People's Right's Scheme can be found here: <https://www.swansea.gov.uk/childrensrightsscheme>

4.7. Community Benefits Policy - The policy aims to address barriers to entering the labour market and create opportunities for all Swansea's citizens, thereby helping to lift individuals and households out of poverty. It meets the aspirations of the Wellbeing of Future Generations Act, impacting on four of the Council's five key priorities and delivering on the commitment in Swansea Council's procurement strategy.

The approach is delivering an impact on deprivation by addressing the need for more training, job placement and employment progression routes for the economically inactive and unemployed, leading to higher skilled, higher paid and sustainable jobs; encouraging more supply chain opportunities to be made available for SME's and local businesses; working with the wider community and schools.

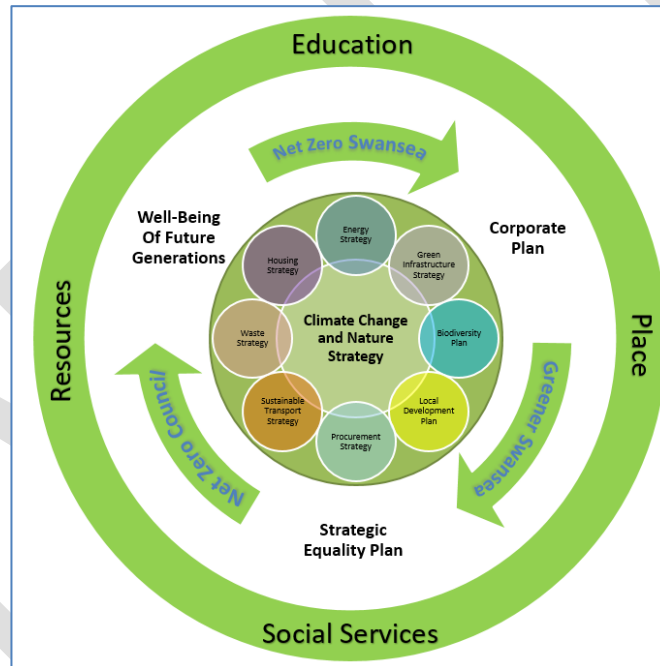
The Council's Community Benefits Policy can be found here: <https://www.swansea.gov.uk/beyondbricksandmortar>

4.8. Climate Change Charter: Net Zero 2030

Swansea Council's commitment to addressing climate change is broken down into clearly defined work streams alongside its commitment to nature recovery. The council will lead by example and be the focal point for response to climate and nature action across the whole city and county.

The council business will strive for net zero carbon by 2030, establishing monitoring processes for emissions and developing a robust action plan in order to achieve the target. Along with other key contributors, the Council will report on annual emissions in accordance to Welsh Government guidelines. All reporting will need to be within the public domain by March 2023.

Procurement plays a key part in the governance and delivery of such challenging targets as displayed in the infographic below. This Policy will be pivotal to the Programme Board decision making process.



Working with partners, the council will call on the whole City and County of Swansea, its major employers, its citizens, community groups, suppliers and businesses to contribute to achieving net zero carbon by 2050. There will be a need for collective leadership and a shared ambition, one example being socially responsible procurement.

4.9. Swansea Local Biodiversity Action Plan

In 2005 the Swansea Biodiversity Partnership produced a document called "Promoting Swansea's Natural Environment: A Local Biodiversity Strategy and Action Plan".

The document provided a strategic framework and series of detailed species and habitat action plans looking at how individuals and organisations could work to try and halt biodiversity loss in Swansea.

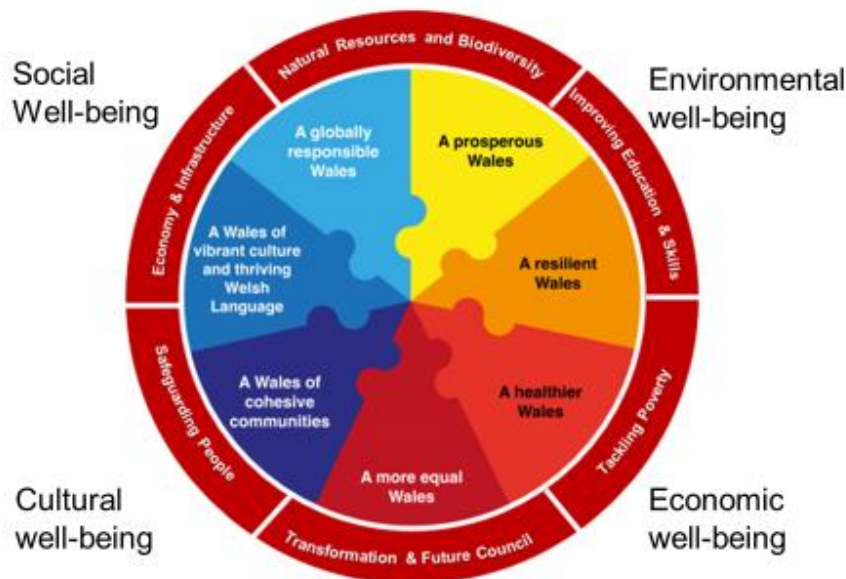
The action plan is currently undergoing a review by the Swansea Biodiversity Partnership; updating actions and incorporate new species and habitats declared of principal importance in Wales by the Welsh Government since 2005.

5. Welsh National Policy Drivers

- 5.1. This Policy defines sustainable development as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'², and, is structured around the following key Welsh Government Policy drivers and initiatives.
- 5.2. **The Well-being of Future Generations (Wales) Act** came into force on 1 April 2016, it focuses on improving the social, economic, environmental and cultural well-being of Wales. The aim of the Act is to help create a Wales that we all want to live in, now and in the future. Importantly, the Act recognises the important role of procurement.
- 5.3. The Act puts in place seven Well-being goals:
- **A prosperous Wales**
 - **A resilient Wales**
 - **A healthier Wales**
 - **A more equal Wales**
 - **A Wales of cohesive communities**
 - **A Wales of vibrant culture and thriving Welsh language**
 - **A globally responsible Wales.**

² Brundtland Commission definition of sustainable development

5.4. The well-being objectives of the Council also maximises its contribution to each of the well-being goals as contained within the Act as demonstrated in the figure below.



5.5. **Wales Procurement Policy Statement (WPPS) and Wales Procurement Policy Note (WPPN) 01/20** establishes a number of key principles by which the Welsh Government expects public procurement to operate across Wales and their reporting methods. This includes a number of principles that directly support the delivery of the Well-being of Future Generations (Wales) Act 2015 namely:

- Social, Economic and Environmental Impact.
- Community Benefits.
- Open and accessible competition.
- Simplified standard processes across the public sector.
- Policy Development and Implementation.

The Wales Procurement Policy Statement (WPPS) can be found here: <https://gov.wales/wales-procurement-policy-statement>

5.6. **The Social Services and Well-being (Wales) Act 2014** introduces a duty on local authorities and local health boards to promote the development (in their area) of not for profit organisations to provide care and support for carers, and preventative services. These models include services across the range that make up the third sector - social enterprises, co-operative organisations, co-operative arrangements, and user-led services.

5.7. **Prosperity for all: A Low Carbon Wales.** Cutting our emissions and transition to a low carbon economy in a way which maximises wider benefits for Wales, ensuring a fairer, healthier and more equal society. The plan makes clear what it expects of leadership in the public sector: Delivering our decarbonisation targets

and our carbon neutral ambition will require significant leadership from the public sector in areas such buildings, transport and procurement.

5.8. Further specific Welsh Government initiatives as a driver for this Policy:

- **Community Benefits** – drives the creation of employment and training opportunities including apprenticeships, support for small and medium sized enterprises and delivery of community, educational and environmental initiatives.
- **Code of Practice Ethical Employment in Supply Chains** – focuses on ensuring a high standard of ethical employment practices by our suppliers. Welsh Government have introduced a Code of Practice for Ethical employment in supply chains. The Code requires the Council to meet the 12 commitments set out in the Code and seeks to address the following employment issues:
 - Modern slavery and human rights abuses.
 - Blacklisting.
 - False self-employment.
 - Unfair use of umbrella schemes and zero hours contracts.

The Council has produced an Action Plan which identifies which commitments it currently meets and what steps it can take to action the remaining commitments.

6. Socially Responsible Outcomes

The Council acknowledges that its procurement decisions carry economic, social and environmental implications and takes this as an opportunity to procure in a socially responsibly and in a sustainable manner. This policy reflects the commitments set out in the Council's [Sustainable Development Policy](#), and aims to integrate environmental and socio-economic outcomes through procurement activity.

6.1. Environmental Outcomes

Protecting, promoting and enhancing the environment for future generations is one of Swansea's core values and our Sustainable Development Policy, Section 6 Bio-Diversity Action Plan, Local NRAP, and Corporate Plan include commitments to procure goods and services from sustainable sources to decarbonise Swansea and deliver positive actions to adapt to and mitigate for climate change and to contribute to nature recovery and ecosystem resilience.

We are therefore committed to:

Ensuring procurement activity maintains and enhances biodiversity and ecosystem resilience in line with the council's section 6 plan, for example, undertaking an assessment of the biodiversity impact, maintain air, water and soil quality, reduce pollution, more sustainable catering/food, new schemes do not result in loss of biodiversity, identifying opportunities for biodiversity gain, such as using native species for planting, installing bat and bird boxes, and using peat free compost.

Identifying significant environmental risks and opportunities associated with procurement projects, and ensuring they are addressed (risks avoided or managed, and opportunities taken) in defining the scope of the procurement and preparing the specification.

Requesting information from potential suppliers on how they will help the Council progress its environmental objectives as part of the delivery of a contract and take their response into account in awarding the contract.

Ensuring procurement activity is compatible with and where possible contributes to the implementation of the Council's climate change policy and Net Zero 2030 carbon management plan.

Encouraging Contract Managers to follow sustainable procurement policies and processes which will exploit the opportunity to minimise: energy consumption, carbon footprint, waste, pollution, production of greenhouse gas emissions and detrimental environmental impacts while encouraging supply chains to do likewise.

Incorporate into the pre-sourcing phase of procurements where appropriate and for all over £1 million in value a Sustainability Risk Assessments (SRA), with a greater emphasis on the need for sustainable alternatives to be specified within a broader definition of product requirements.

Eliminate unnecessary waste by adopting the "reduce, re-use, recycle" philosophy and supporting circular economy and sharing economy through 'Think before you purchase – do you really need it, could something else be used, or could we hire or borrow it?'

Procure fair trade products where possible (fair trade supports farmers and workers in developing countries through better prices, decent working conditions and a fair deal).

Other standards such as FSC timber, Fair trade, Rainforest Alliance or similar where applicable for the procurement process or materials / products to demonstrate social, environmental and economic sustainability.

6.2. Social Value Outcomes

Contributing to a vibrant and healthy community and thriving culture for the residents of Swansea; the way in which procurement opportunities are procured can have an effect on the community of Swansea. In delivering this Policy our aim is to realise meaningful social value from the contracts we procure.

We are therefore committed to:

- Ensuring that our default position is that all contracts demonstrate the consideration of Social Value and impact, and apply - when appropriate – apply an overall weighting for social value within the award criteria, when relevant and proportionate.
- Involving local people and organisations through coproduction in considering how we meet the needs of local communities through the procurement cycle.
- Creating or promoting local employment, training and inclusive economic sustainability by tackling unemployment in general and targeted to disadvantaged groups such as disabled persons, long-term unemployed, ex-offenders, geographical areas and key sectors, and ensuring suppliers participate in educational talks or careers events with the Universities, Colleges or schools within the local area.
- Building the capacity and sustainability of the voluntary and community sector by accessing and actively supporting local voluntary, community groups and cooperatives.
- Promoting equity and fairness by targeting effort towards those in the greatest need or facing the greatest disadvantage. Tackling deprivation across the city.
- Supporting fair and ethical trading in the supply chain, expecting our suppliers, service providers and contractors to observe and demonstrate a similar commitment of ensuring and, where necessary, improving ethical practices locally and globally.
- Assess suppliers' awareness and policies in relation to equalities as part of procurement processes.
- Encourage suppliers to consider how they can look after the health and well-being of their workforce.
- Encourage suppliers to support regeneration projects or initiatives in the communities in which they operate.
- Encourage our suppliers to sign up to the Welsh Government's Code of Practice on Ethical Employment in Supply Chains.

6.3. Economic Outcomes

Supporting the local economy and community through creative and innovative procurement solutions. Economic considerations must be balanced with the need

for environmental and social outcomes and this must all be done within the bounds of procurement legislation. In delivering this Policy our aim is to realise meaningful economic outcomes from the contracts we procure.

We are therefore committed to:

- Encouraging local businesses to take advantage of Council contract opportunities and raising awareness of where to find the opportunities and reviewing and implementing Welsh Government Procurement Policy Notes (WPPN) in this area.
- Ensuring value for money and applying a Whole Life Costs approach to include social criteria to give a clear understanding of the full impact of procurement decisions. This included taking into account all aspects of costs including running and disposal costs, as well as the initial purchase price and environmental impacts.
- Strengthening local supply chains and promote the use of local goods and services within the parameters of procurement legislation.
- Promoting the local economy, so that micro, small and medium sized enterprises and the voluntary and community sector in Swansea can thrive.
- A proportionate and appropriate process for selecting and evaluating tenders is in place to encourage the participation of micro, small and medium sized enterprises and the voluntary and community sector to enable an inclusive and diverse
- Ensuring fair payment terms flow throughout the supply chain.
- Ensuring suppliers take steps to make supply chain opportunities accessible to local suppliers.
- A commitment to sustainability, fairness and the development of our local economy will be built into our procurement decisions. We will develop a mixed economy of delivery, with the Council commissioning services from those who are best placed to deliver them effectively, whether that is the private sector or community and voluntary sectors.

7. The role of Commercial Services

7.1. The primary role of the corporate procurement function is to:

- Support departments to make the best use of their scarce financial resources, ensuring both commercial and social criteria are considered in all procurement activity.
- Develop and maintain a suite of supporting procurement resources and documents.
- Support the development of guidance, protocols and training to support and embed the practices of socially responsible procurement across the organisation.
- Ensure cooperation between procurement and council officers in other service areas to ensure consistent application of practices.

- Where appropriate, assist with designing specifications and procurement documents in a manner which allows greater access to opportunities for micro, small and medium sized enterprises and the voluntary and community sector.
- Promote the use of digital solutions throughout the organisation to reduce the use of paper in procurement projects.
- Strive to deliver the goals of the Well-being of Future Generations Act through a holistic approach to its category management methodology and processes, including where relevant specific provisions within the procurement documents.
- Continue to build in measurement of broader social outcomes alongside more traditional measures of cost and quality.
- Establish and embed a corporate approach to contract management and contract monitoring to ensure that sustainability-related promises made by suppliers are delivered upon through the lifetime of a contract.

8. Monitoring and Reporting

- 8.1.** The Head of Commercial Services will ensure that the monitoring and reporting of the adherence to this policy and the outcomes derived from it take place.
- 8.2.** Responsible Officers are required to ensure annual reporting of social value benefits achieved in their contracts during the previous 12 months, in accordance with CPR 14.
- 8.3.** Contract Managers and Responsible Officers are required to report on the social value delivered at the end of each contract following contract completion.
- 8.4.** The review, renewal and delivery of this strategy will be managed through the Commercial Services' Plan in line with the actions above (8.1 – 8.3).

9. Review

- 9.1.** This Policy will be reviewed every three years.
- 9.2.** Swansea Council endeavours to continually improve its procurement performance such that all relevant policies, guidance and training are continually reviewed and updated.