

# Sustainable Procurement Procedure

**Version: 3**

<b>Summary:</b>	This document contains the Trust's Sustainable Procurement procedure and builds on the Trust's commitment to minimise the economic and environmental impact whilst enhancing ethical and social impacts of our procurement activities and processes.	
<b>Keywords:</b>	Sustainable procurement, goods, products, services, economic, environmental, ethical.	
<b>Target Audience:</b>	All staff procuring goods and services on behalf of the Trust.	
<b>Next Review Date:</b>	September 2021	
<b>Approved &amp; Ratified by:</b>	Senior Management Committee	<b>Date:</b> 22 August 2018
<b>Date issued:</b>	September 2018	
<b>Author:</b>	Louise Sawyer, Environmental Sustainability Manager	
<b>Accountable Executive Lead:</b>	Paula Anderson, Director of Finance	

# Version Control

## Change Record

Date	Author	Version	Page	Reason for Change
06/04/16	Louise Sawyer	2	All	First Annual Review
16/7/18	Louise Sawyer	3	All	Bi-annual review. Extensive amendments made to section 5. Integrating Sustainability into the Procurement Process
8/10/20				Review date extended from September to November 2020
12/11/20				Review date extended to March 2021
8/3/21				Review date extended to September 2021

## Reviewers/contributors

Name	Position	Version Reviewed & Date
Paul Johnson	Head of Estate Services	2, 06/04/16
Louise Jones	Senior HR Manager Best Practice Development	2, 06/04/16
Scott Jones	Deputy Head of Estate Services	2, 06/04/16
Phil Aubrey-Harris	Head of Business Planning & Commercial Development, ISD West	2, 06/04/16
Phill Ballard	Head of ICT Operations	2, 06/04/16
Patrick Carroll	Integrated Project Manager, ISD East	2, 06/04/16
Alan Chambers	Category Manager Procurement	2, 06/04/16
Vicky McDonald-Woods	Head of Performance & Information, Integrated LD, MH & Social Care	2, 06/04/16
Nicky Adamson-Young	Divisional Director of Children's Services & Safe Guarding	2, 06/04/16
Dominic Lodge	Charity Manager	2, 06/04/16
Daniel Clark	External Communications Officer	2, 06/04/16
Fiona Maton	Head of Procurement	2, 06/04/16
Heather Bremble	Procurement Systems Manager	2, 06/04/16
Paula Anderson	Director of Finance	2, 16/06/16
Andy Mosely	Associate Director of Estate Services	3, 16/07/18
Louise Jones	Senior HR Manager Best Practice Development	3, 16/07/18
Scott Jones	Deputy Head of Estate Services	3, 16/07/18
Phill Ballard	Head of ICT Operations	3, 16/07/18
Sarah McArthur	Deputy Head of Procurement	3, 30/05/18
Becki Killham	Service Improvement Manger, MH & LD services	3, 16/07/18
Nicky Adamson-Young	Deputy Director ISD	3, 16/07/18
Dominic Lodge	Business Development Manager, Third Party & Charities	3, 16/07/18
Ivor Watson	Head of Capital Projects	3, 16/07/18
Paula Anderson	Director of Finance	3, 16/07/18
Fiona Maton	Head of Procurement	3, 30/05/18

## CONTENTS

		<b>Page</b>
<b>1.</b>	<b>Executive Summary</b>	<b>4</b>
<b>2.</b>	<b>Introduction</b>	<b>4</b>
<b>3.</b>	<b>Aims &amp; objectives</b>	<b>6</b>
<b>4.</b>	<b>Sustainable procurement process</b>	<b>7</b>
4.1	Reduce the need	7
4.2	Checking supplier credentials	7
4.3	Checking goods & services credentials	8
4.4	Whole life costing	9
<b>5.</b>	<b>Integrating sustainability into the procurement process</b>	<b>10</b>
	Stage 1: Identify the need	10
	Stage 2: Specification	11
	Stage 3: Choosing Suppliers	12
	Stage 4: Awarding the contract	13
	Stage 5: Managing the contract	13
<b>6.</b>	<b>What makes a sustainable goods / services</b>	<b>14</b>
6.1	Standards & labelling	14
6.2	High consuming equipment & vehicles	17
6.3	Packaging	18
<b>7.</b>	<b>Where to go for more help</b>	<b>18</b>

# Sustainable Procurement Procedure

## 1. Executive Summary

Corporate Social Responsibility (CSR) proactively encourages organisations to promote sustainability on a local, national and global scale. Sustainable Development (known as *Sustainability*) is about meeting our needs today without adversely affected others in the future to meet their needs, and is achieved by balancing three main factors: economic, ethical (social) and environmental considerations.



CSR supports the public interest by encouraging community development and growth, and voluntarily eliminate practices that harm the planet. Essentially CSR is the deliberate inclusion of public interest into corporate decision making and the honouring of a triple bottom line: People, Planet and Profit.

Sustainable Procurement is a CSR element that creates good procurement practices and assists in the development of ethical supply chains. It is a process whereby organisations meet their needs for products, services, works and utilities in a way that achieves value for money on a life-cycle basis in terms of generating benefits not only to the organisation but also to society and the economy, whilst minimising damage, and preferably improving the environment. Put simply, sustainable procurement is good procurement.

This document is intended to provide guidance on sustainable procurement for all staff in the Trust involved in the acquisition and disposal of products and services. This procedure document runs alongside the Trust's Procurement Strategy and Sustainable Procurement Policy.

## 2. Introduction

It is widely accepted that the way we live now is having a detrimental effect on the quality of our lives and the environment we live in, therefore sustainability is a key theme for the Trust. To ensure a better quality of life now and for future generations, we need to look seriously at the way we use the earth's resources, operate our businesses and live our lives. A sustainable approach recognises the broader impacts of our actions and aims to minimise any adverse effects.

The Trust's Sustainable Development Strategy (2015-2020) sets out how it will govern, manage and implement its Sustainable Development Management Plan, and reduce its carbon emissions by:

- 28% by 2020 (2013 baseline) to bring it in line with the Climate Change Act 2008

These complement our commitment to Good Corporate Citizenship and the Trust's responsibility to involve and engage with a range of key internal and external stakeholders; including staff, service users, visitors and suppliers / contractors to help the Trust to provide improved and sustainable healthcare services. In 2015 the Trust spent around £95 million on products and services with procurement accounting for 45% of the Trust's carbon footprint, so procurement has a significant impact on the Trust's ability to operate sustainably.

A more sustainable approach can be achieved through the implementation of a sustainable procurement process, which involves considering whether the item is necessary at all, and if it is then balancing financial, environmental and ethical / social considerations in purchasing decisions, including looking at what products are made of, how they are made and by whom, where they come from and how much it costs – to buy it, operate it and dispose it.

Sustainable procurement is not an additional burden but a competitive advantage for any business. It reduces risk to the Trust and provides a range of business benefits directly and through stakeholders, including:

#### **Risks**

- Financial risk from the failure to assess the full cost of procurement;
- Failure to meet key stakeholders' expectations (service users, employees, Commissioners, government etc.);
- Failure to comply with the Trust policies (Sustainable Development Policy, Sustainable Travel Policy, Waste Management Policy etc.);
- Reputational risk association with poor practice, whether social, economic or environmental may prove damaging to the Trust's brand.

#### **Benefits**

- Enhanced corporate image thus reputation;
- Embed consideration of ethical and environmental effects into routine purchasing activities;
- Standardise of the way that ethical and environmental considerations are approached within the procurement process;
- Reduce waste and improve resource efficiency, resulting in possible savings and better value for money;
- Effective protection of the environment and prudent use of natural resources.

The Trust's Procurement team has a key role in working with others to embed sustainability into the business by offering expert advice on sustainable purchasing solutions. Staff procuring on behalf of the Trust and contract managers have a key role in specifying more sustainable products & services, and encouraging manufacturers to use less damaging materials and processes.

There is much work to be done on sustainable development within the Trust and the integration of sustainability considerations into the procurement cycle will become an integrated part of the procurement process.

This guidance provides a framework to help staff take account of sustainability considerations throughout the procurement process.

The Trust is one of the largest Mental Health and Community organisations in Hampshire so the more money that is spent locally, the greater the positive impact this will have on the local economy, particularly for small and medium sized businesses.

Procurement legislation and the Trust's own Standing Orders / Standing Financial Instructions limit the Trusts ability to favour local businesses, but there are numerous ways in which it can legitimately support local businesses including:

- Working proactively with partners to support local businesses through consultation, face to face meetings to explain how to do business with the Trust, and obtain their feedback in order to improve documentation and processes;
- Encourage local SME's (Small, Medium Enterprises) to join the Southern Health NHS Foundation Trust electronic quotation / tendering system, [NHS Commercial Solutions Bravo](#) and the [Government website Contracts Finder](#) which will open up opportunities to tender for business >£10k which they would normally be unaware of.
- Advertising Trust contracts below the EU Tender Threshold (currently £181,302) encourages local businesses and SME's (Small Medium Enterprises) to compete for business;
- Issuing contracts in a manner, where possible, that doesn't preclude the following from tendering:
  1. Local and regional companies,
  2. Small and Medium sized enterprises,
  3. Newly formed businesses,
  4. The voluntary and community sector;

### **3. Aims & Objectives**

The overarching objective is for sustainability considerations to be addressed within the procurement cycle in all instances. The more specific objectives in terms of sustainable procurement within the Trust procurement process are:

- To seek alternatives to products and processes which are detrimental to the environment and social well-being by using more environmentally friendly and ethically traded products and services;
- To minimise energy, transport emissions, water and waste associated with the products and services purchased, and help the Trust achieve its carbon reduction targets;
- To minimise the use of virgin raw materials, particularly finite resources by maximising reuse and recycled content of materials;
- To seek zero waste to landfill by ensuring products can be reused or fully recycled at the end of their useful life;
- To stimulate demand for environmentally friendly products by building sustainability into tender specifications;

- To encourage manufacturers and suppliers to continually improve the sustainability of their products and services by including sustainability KPI's and objectives into contracts and working with them in partnership to achieve improvement.

#### **4. Sustainable Procurement Procedure**

Sustainable procurement comprises four key elements:

1. Reduce need, find alternatives and avoid purchases where possible;
2. Ensure suppliers operate in an ethical and environmentally sound way;
3. Ensure we purchase products and services that have minimal environmental, social and economic impacts;
4. Take into account the whole life cost of the product or service – from acquisition through operating to disposal.

##### **4.1 Reduce need, find alternatives and avoid purchases where possible**

Usually, the most sustainable thing to do is not to purchase in the first place. Before purchasing new products and services there are a number of general questions that should be considered:

- Why does the Trust need the product or service?
  - Is it vital to the performance of a business or task?
  - Could the need be met through an existing product or service?
  - Can the need be met in another way?
- Is there a suitable product or service available elsewhere in the Trust?
  - Is there similar equipment in the Trust that could be utilised?
- Can the requirement be met by renting, sharing or hiring rather than purchasing?
  - Has contact made with other organisations for surplus equipment that could be swapped?
- Is the quantity requested essential?
  - Or is the quantity based on a volume discount?
- Is the specification fit for purpose?
  - Are you paying for extra functions that are not required?

##### **4.2 Ensuring our suppliers operate in an ethical and environmentally sound way**

The performance of our suppliers is critical to our business and we expect them to operate in an ethical and environmentally sound way. As a minimum requirement our suppliers must adhere rigorously to all relevant human rights, labour, health & safety social value and environmental laws; the Trust Sustainable Development Strategy and Trust policies, including the Trust Sustainable Development Policy, Waste Management Policy and Sustainable Travel Policy.

When assessing the sustainability of our suppliers there are a number of considerations to take into account, including:

###### **Ethical/Social**

- Ensure the supplier promotes fair employment practices and enforces equal opportunities and where appropriate demonstrates Modern Slavery does not exist within their organisation;

- Ensure the supplier promotes skills and knowledge development;
- Ensure the supplier promotes health and safety;
- Ensure the supplier positively engages with the local community;
- Ensure the supplier supports fair traded and ethical pricing practices.

### Environmental

- Ensure the supplier has a process for managing its organisations environmental impacts, such as an environmental management system (EMS), preferably certified to a credible standard, such as ISO14001 or BS8555. This should include:
  - a system for monitoring and reducing its waste, and increasing recycling rates;
  - a system for monitoring and reducing its energy and water use;
  - a system for monitoring and reducing its travel;
  - a system for reporting and reducing its emissions to air, including greenhouse gas (GHG) emissions;
  - a system for monitoring and reducing its impacts on the natural environmental and biodiversity.

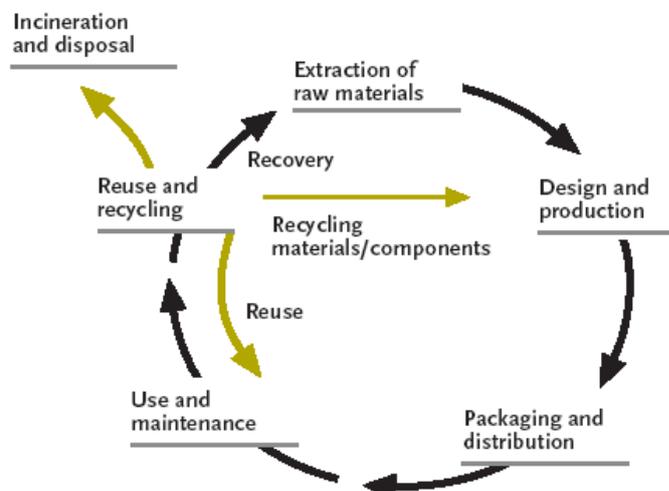
In order to help the Trust realise its Sustainable Procurement Policy and Sustainable Development Policy suppliers should be encouraged to measure and continually improve their sustainability performance and take an active role in ensuring their supply chain adheres to the correct requirements. Where applicable, suppliers should also provide regular environmental management information and help the Trust to achieve its carbon reduction target.

### 4.3 Ensuring we purchase products/services that have minimal environmental, social and economic impacts

Manufacturers are seeing a massive shift in the requirement for sustainable services and products that have been sourced sustainably, that are efficient during use and can be fully recycled at the end of its useful life. However it is the purchaser's responsibility to buy sustainably in the first place and to ensure that products and services purchased are used, run and disposed of as they were intended. It takes producers, suppliers and purchasers to be responsible for a product's 'life cycle'.

Below is a simplified diagram showing a product's life cycle. It is important to be aware that the Trust's purchasing power has an effect not just on the product use stage, but also throughout the entirety of the 'product life'.

#### Diagram of a Product's Life Cycle



The main environmental impacts of products occur at different times throughout their life cycle. For some products, for example a plastic chair, the main impacts arise in the production and disposal whereas a fridge or freezer, the main impacts arise during the operation and disposal of the product. The Trust's Environmental Sustainability Manager will provide advice on the impacts for individual products and services prior to purchasing.

#### 4.4 Taking into account the whole life cost of the product/service: from acquisition to disposal

There is now a much wider choice of environmentally friendly or 'green goods', so the green option is not necessarily more expensive, and, when the 'whole life cost' of a product is considered, products that are lower in value at the point of purchase may not be competitive when running and disposal costs are factored in.

A whole life costing exercise involves taking into account the total cost of an item to the purchasing organisation, including all the financial costs associated with its acquisition, operation and disposal; in other words it takes the following into consideration:

Life Cycle Stage	Examples
Initial cost	Traditional purchase price
Direct running costs	Factor in energy, water and other resources & consumables used over the lifetime of the product or service. Buying more efficient products may initially appear more expensive but this could change considerably when factoring in running costs, particularly utility costs, over the lifetime of the product.
Maintenance costs	Factor in maintenance costs over the lifetime of the product or service. Good maintenance may extend the life of a product. Buying cheaper products may require more maintenance.
Indirect costs	Factor in any indirect costs. For example, less energy efficient equipment will produce more heat causing air conditioned buildings to work harder, thus increasing electricity bills.
Administration costs	Factor in admin costs and overheads from purchases requiring special handling. For example, some products or services may require specialist advice or extra time required by stakeholders to get up to speed with specialist practices.
Spending to save	Factor in product duration or expected years of useful life. Buying more durable or utility efficient products may initially cost more but result in long-term savings
Training costs	Factor in time, money and effort spent training staff to operate specialist products if they are not user friendly.
Cost of disposal	Factor in disposal costs. NB: Check whether there is a legal obligation for the retailer or manufacturer to take back and recycle packaging and/or products (i.e. Waste Electrical & Electronic Equipment (WEEE) Regulations put a legal responsibility on retailers to take back and recycle EEE such as fridges, freezers etc.

And remember savings may also be made by:

Recycling capabilities	Buying products that containing recycled materials (i.e. paper, remanufactured toner cartridges etc.) reduces the need for expensive virgin raw materials and consequently should be a cheaper option. Purchasers can create markets for their own waste by ensuring their products can be fully recycled.
Specifying refurbished products	Buying refurbished products or parts rather than insisting on new items can save money and reduce demand for new ones.
Disposal options	<p><b>Reduce:</b> Only buy when absolutely necessary</p> <p><b>Re-use:</b> Have systems in place whereby items such as furniture, equipment and other office related goods can be re-allocated or given to charity or other organisations, instead of being discarded.</p> <p><b>Recycle:</b> Specify to your suppliers that they should operate a system to take back any packaging and unwanted or spent items which can be recycled or re-used.</p>

Whole life costing is now considered a viable money saving strategy with the continual rise in energy, water and disposal prices, and should be included as part of a business case and tender process when making the final decision of which product or service to go with.

## 5. Integrating Sustainability into the Procurement Process



### Stage 1: Identify the need

All procurement of products, works and services for the Trust must be carried out in accordance with EU and UK legislation. The Trust operates under the Standing Orders (SO's) and Standing Financial Instructions (SFI's), which can be found on the Trust intranet or by contacting the Trust Procurement team.

The process of identifying the need is the most important point in the procurement process for considering environmental and ethical / social issues. At this stage you should question whether the purchase is really essential, or could use be made of an existing product or service, or a more environmentally friendly product or service. Completing Forum for the Future's ['Sustainable Procurement Tool: Demand Review'](#) assessment will help you with this exercise.

Working with potential suppliers at this stage may highlight more sustainable options, for example, reduced or returnable packaging, minimised road transport and more environmentally friendly production processes.

Engaging with suppliers allows the Trust to consider how it and its suppliers / contractors can improve the environmental qualities of services or products and

manufacturing processes, both of which are likely to have a positive effect on whole life costs and hence value for money. However, you must be cautious to not over involve or accept the views of particular suppliers in determining the Trust's needs. It must be generic and not specific.

## **Stage 2: Specification**

To meet EU and UK legislation the specification must:

- Applied equally to all tenderers;
- Appropriate and relevant to the product or service required;
- A legitimate client interest;
- Specified sustainability requirements in the tender documents;
- Not anti-competitive or specify branded products;
- Not non-commercial.

Therefore you will need to take these into consideration when specifying sustainability requirements, for example, to specify that 'hard wood veneers should not come from tropical rain forests' may be considered restrictive but to specify that hard wood veneers 'should be supplied from sustainably managed forests' is considered to be reasonable.

When writing a specification, consideration should be given to the products or service over its lifecycle. The following can be used as a checklist to identify the potential sustainability impacts of the products or service you are purchasing:

1. Specify the use of sustainably sourced materials;
2. Minimise the impact of the disposal of the products at the end of their useful life;
3. Minimise energy or water consumption;
5. Decrease pollution;
6. Decrease transport impacts;
7. Consider the use of renewable energy;
8. Decrease the use of hazardous materials, toxic chemicals, solvents and ozone depleting substances;
9. Increase use of recycled materials and materials which can easily be re-used or recycled at the end of their life;
10. Identify the appropriate 'environmental' symbols – see section 6.1.

This is not an exhaustive list; it is intended to assist you in identifying potential sustainable issues with your purchase. Not all will apply for each tender; likewise, there are many others that you will no doubt identify.

To assist the process a set of standard clauses have been developed for inclusion in all tenders, as follows:

*All contractors and sub-contractors must operate in an ethical and environmentally sound way. As a minimum requirement the contractor must adhere rigorously to all relevant human rights, equality, labour, social values and environmental laws, in line with the Trust's Sustainable Development Policy and Sustainable Procurement Policy and be able to demonstrate that modern slavery does not exist within their organisation.*

*The contractor should actively promote equality and diversity, and wherever possible seek to support the voluntary living wage and community partnerships.*

*The contractor should have a system in place to management their organisation's environmental aspects and significant impacts which are applicable to this contract, preferably independently verified to an accredited standard such as BS8555 or ISO14001 (include copies of certificated evidence).*

*The contractor will be required to work in partnership with the Trust to improve the environmental impact of the products / services provided over the lifetime of the contract and assist the Trust to reduce its carbon footprint in the provision of these products / services, in line with the Trust's Sustainable Development Strategy 2015-2020.*

For products and services that have a high environmental or ethical/social impacts additional clauses will have to added to the specification. The Trust Environmental Sustainability Manager will help purchasers and contract managers understand the key sustainability issues and impacts of the products or services you may wish to purchase. Completing Forum for the Future's '[Sustainable Procurement Tool: SP Action Plan](#)' assessment will also help you with this exercise.

Sustainable procurement specifications are available for products and services frequently purchased by the Trust within the [Sustainable Procurement Government Buying Standards](#). Suppliers should aim to provide products and services that meet best practice specifications within these standards.

### **Stage 3: Choosing Suppliers**

In choosing suppliers, care must be taken to ensure all potential suppliers are treated fairly and that they are each assessed using the same criteria. Suppliers may be rejected if they have been found guilty of a criminal offence, concerning professional conduct, or if they have been guilty of grave professional misconduct, which can be proven. There is an opportunity to consider environmental matters in both of these cases.

For large contracts the Trust will include a section of sustainability questions within the technical evaluation of the Invitation To Tender (ITT). To assist the process a standard question has been developed for inclusion in **all** tenders, as follows:

*Please describe how your organisation can help the Trust improve the environmental impact of the product / service supplied by your organisation. Your answer should include details of how you can meet the sustainability requirements included in this specification.*

Potential suppliers are required to demonstrate within their technical response that they take a serious commitment to protecting the environment in their systems and processes. This could either be by holding or working towards recognised standard for an environmental management system (EMS) such as ISO14001 or equivalent. The Trust Environmental Sustainability Manager can help you with this by marking the sustainability section, if you require.

For contract that have been identified as having a high level sustainability impact the Trust will include a technical sustainability question directly relating to the specific environmental or ethical impact of the product / services provided. For example, when procuring air conditioning services the following technical sustainability question would be included:

*Please describe your organisation's plans to manage and improve the global warming potential (GWP) of any F-gases used as part of your service, and the waste and transport emissions associated with your service. Please include copies of energy efficiency ratings / environmental certificates / eco-labels for the products / service you will provide.*

The Trust Environmental Sustainability Manager will develop and mark all technical sustainability questions to be included within the section of sustainability questions.

#### **Stage 4: Awarding the contract**

The evaluation criteria must be defined for all tenders undertaken within the European Procurement Directives in the tender advertisement, and within the tender documentation.

To consider factors other than price alone, the Trust should use 'the most economically advantageous tender' option. This allows the evaluation of bids using a range of criteria for example: cost, quality, technical merit, aesthetic & functional characteristics and running costs, all of which can have a direct impact on the environment. In assessing bids, the 'whole life cost' of products or services should be taken into account, where appropriate. Completing Forum for the Future's [Sustainable Procurement Tool: Whole Life Costing](#) capital and non-capital tabs will help you with this exercise.

The award criteria must be relevant to the subject of the contract. Purchasers should ensure that any environmental considerations are built into the tender specification at the earliest possible stage. The Trust Environmental Sustainability Manager can help you with this.

Wherever possible avoid paper within the tender and contracting processes, for example, use e-Tender software, avoid printing documents and ensuring that Suppliers register with Tradeshift to enable invoices to be sent to NHS SBS electronically.

Registration to Tradeshift is free to Supplier. Further details and registration can be found at this website [www.tradeshift.com](http://www.tradeshift.com).

#### **Stage 5: Managing the contract**

The contract forms the framework within which both parties (the Trust and the Supplier /Contractor) can work together for continuous improvement and mutual benefit. The process of contract management involves monitoring the supplier / contractor's performance against the key performance indicators documented in the specification and contract documents

For contracts that have been identified as having a high and medium level sustainability impact the Trust will regularly review the sustainability requirements, key performance indicators included in the specification and the improvements identified by the Supplier in the ITT response. This review should be undertaken quarterly for contracts that have been identified as having a high level sustainability impact and annually for contracts that have been identified as having a medium level sustainability impact. The Trust Environmental Sustainability Manager can help you with this, if you require.

Both parties (the Trust and the Supplier / Contractor) should work together to continually improve the environmental performance of the contract throughout the length of the contract. For example reducing transportation, reworking the procurement chain to remove wasteful processes, increasing the recycled content of products, minimising packaging or using only returnable packaging materials. The Trust Environmental Sustainability Manager can help you with this.

## 6. What makes a Sustainable Product or Service

A more sustainable product or service can be described as being:

- Fit for purpose and providing value for money;
- Energy, water and resource efficient;
- Made with minimum use of virgin materials;
- Made with maximum use of post- consumer materials;
- Non (or reduced) polluting;
- Durable, easily upgraded, and repairable;
- Reusable and/or fully recyclable at the end of its useful life;
- Ethically sourced.

### 6.1 Environmental Standards and Eco-labels

Environmental Certification or Eco-labels such as Nordic Swan, Blue Angel, EU Flower, give credibility to a supplier's claims that their products and services are certified as safe for human and environmental health by a recognised environmental standard. Environmental certificates are divided into 3 categories:

- Type I: a voluntary, multiple-criteria based, third party program that awards a license that authorizes the use of environmental labels on products indicating overall environmental preferability of a product within a particular product category based on life cycle considerations;
- Type II: informative environmental self-declaration claims;
- Type III: voluntary programs that provide quantified environmental data of a product, under pre-set categories of parameters set by a qualified third party and based on life cycle assessment, and verified by that or another qualified third party.

Below are some of the many standards and symbols that are widely used and recognised in the UK and globally:



**The European Union ECO label** scheme is an EU initiative aimed promoting sustainable production and consumption. An ECO label is awarded to a product that has a reduced environmental impact. The environmental impact of a product is determined by producing a life cycle assessment of the product. Look out for the ECO label flower motif on products.

The flower symbol can be found across Europe on a wide range of products, including white goods, paints and varnishes, paper products, soil improvers, detergents, textiles, footwear and light bulbs. The exceptions are food, drinks and medical products. Further information on Eco-labels is available at <http://www.eco-label.com>



**FSC The Forestry Stewardship Council** oversees the certification and labelling of products that have come from sustainably managed forests, there are now more than 8 million hectares of FSC certified forests throughout the world. It is preferable to buy products that have been FSC certified, look out for the FSC tick mark on products. Further information is available at <http://www.fsc.org>



**NF Environment (France)** the NF Environment mark is the Eco-Logo for France. Created in 1992, it features a single leaf covering a globe. The mark means that the product has less impact on the environment while achieving the same level of service as other products on the market. Industries who wish to highlight their environmental efforts can voluntarily apply to use the Eco-Logo on their products. Certification is based on a multi-criteria approach, within a number of product categories including paints, rubbish bags and automobile coolants. Further information is available at <http://www.marque-nf.com>



**Blue Angel (Germany)** This scheme is administered by the German Quality Control Institute and has been established since 1979. It covers a wide range of consumer products from wallpaper to tyres. Currently, over 4000 products from various manufacturers carry this widely recognised label. For recycled paper to qualify for the mark, it must be made of 100% waste paper (tolerance 5%), and contain at least 51% low grade or medium grade scrap and wastes. Further information is available from <http://www.blauer-engel.de/en/>



**Swedish Standards Institute (The Nordic Swan)** This label was introduced by the Nordic Council of Ministers in 1989 to encourage production methods that create the minimum environmental impact. It covers fine papers and soft tissue grades, but does not necessarily imply that the product contains any recycled fibre

The Swan logo demonstrates that a product is a good environmental choice. The green symbol is available for around 60 product groups for which it is felt that eco-labelling is needed and will be beneficial. These days, everything from washing-up liquid to furniture and hotels can carry the Swan label. The Swan checks that products fulfil certain criteria using methods such as samples from independent laboratories, certificates and control visits.

The Nordic Swan label is usually valid for three years, after which the criteria are revised and the company must reapply for a licence. This way, it ensures that products better suited to the environment are constantly being developed. Further information on the Nordic Swan can be found at <http://www.svanen.nu/Eng>



**The Mobius Loop** This Mobius Loop means that the product is made from recycled material. Without a qualifying statement, the symbol will be interpreted to mean that the product is made from 100% post-consumer waste. The symbol may

also appear with the percentage of recycled content, as long as this figure refers to the entire item.



**The Mobius Loop** This Mobius Loop means that the product is recyclable. Without a qualifying statement, the symbol means that the entire product is recyclable and that more than one-third of the population in the area where it is distributed has convenient access to collection and drop-off facilities. If the product does not meet this 33% requirement, no claim should be made.



**NAPM Recycled Mark** Paper and board sought to be accorded the NAPM Recycled paper mark must be manufactured from a minimum of 75% genuine paper and board waste fibre, no part of which should contain mill produced waste. Further information can be found at <http://www.napm.org.uk>



International  
Organization for  
Standardization

#### ISO 14001

The ISO 14000 family is primarily concerned with "environmental management". This means what the organisation does to minimise harmful effects on the environment caused by its activities, and to achieve continual improvement of its environmental performance.

Contractors can be certified if they have assessed their significant environmental impacts, set long term objectives and pursue annual targets to meet those objectives and monitor progress against these targets. An ISO 14001 environmental management system is meant to develop a systematic management approach to the environmental concerns of an organization. The goal of this approach is continual improvement in environmental management. Further information is available at <http://www.iso.org>



**Fair Trade** Fairtrade marks or labels are utilised to guarantee standards for prices and working conditions for producers of goods bearing such marks. One such example in the UK is the Fairtrade Mark.

It is administered by the Fairtrade Foundation, a registered charity supported by a range of agencies including Oxfam, Christian Aid and the World Development Movement. The foundation was established in 1992 as an independent organisation whose mandate is to alleviate poverty in developing countries by encouraging industry and consumers to support fair trade. Further information is available at <http://www.fairtrade.org.uk>



**Red Tractor** the Red Tractor is an independent mark of quality that guarantees the food we are buying comes from farms and food companies that meet high standards of food safety and hygiene, animal welfare and environmental protection. Further information is available at <http://www.redtractor.org.uk>



**energy saving trust** This consumer focused logo appears on a range of products including electrical and white goods (fridges, freezers, dryers, washers, light bulbs, gas boilers etc). It rates appliances on a scale of “A” to “G” with “A” being the most energy efficient. Further information is available at <http://www.energysavingtrust.org.uk>



**Energy Star** Energy Star is a government backed program helping businesses and individuals protect the environment through superior energy efficiency. Further information is available at <http://www.energystar.gov>



**The Carbon Trust** is a not for profit organisation. Its role is to help the UK move to low carbon economy by helping business and the public sector reduce carbon emissions now and capture the commercial opportunities of low carbon technologies. Further information is available at <http://www.thecarbontrust.co.uk>

#### **IMPORTANT NOTE: SPECIFICATIONS**

You cannot specify a product that has been awarded an environmental certification or ‘Eco-label’ in your contract or tender documentation, as you must treat all products that have not been awarded these labels equally if they can meet the equivalent environmental requirements.

However, you may specify that a product or service should have an environmental certification or eco-label providing you state “or equivalent” in your documentation. The supplier is then able to include their product as long as it is of an equivalent standard and they are able to submit necessary proof as evidence.

## **6.2 High Consuming Equipment & Vehicles**

The existing and anticipated impacts of climate change are now recognised as top challenges requiring action at local, national and international level. The man-made fuels, including electricity, gas, petrol and diesel, that are produced from non-renewable resources such as gas, oil and coal not only contribute to climate change through the production of greenhouse gases, such as carbon dioxide (CO<sub>2</sub>), but also result in their irreversible depletion.

The **greenhouse effect** is the warming effect of the Earth's atmosphere. Light energy from the sun which passes through the Earth's atmosphere is absorbed by the Earth's surface and re-radiated into the atmosphere as heat energy. The heat energy is then trapped by the atmosphere, creating a situation similar to that which occurs in a car with its windows rolled up. Greenhouse gases allow incoming solar radiation to pass through the Earth's atmosphere, but prevent most of the outgoing infrared radiation from the surface and lower atmosphere from escaping into outer space.

During the last 200 years mankind has been releasing extra quantities of **greenhouses gasses**, which are trapping more heat in the atmosphere. This is enhancing the natural greenhouse effect creating enhanced global warming and causing our climate to change. The Trust itself is a very large user of energy with an

annual utility bill on the properties it owns and fully leases of approximately £1.5million. The Trust has a large role to play in reducing its own greenhouse emissions as well as encouraging its partners to do likewise.

### **Good Practice**

- Buy low energy light bulbs, such as compact fluorescents or, preferably LED where possible;
- Buy appliances which have the EC Energy label performance rating of 'A' 'A+' where possible;
- Buy appliances which state that they have been fitted with energy efficient devices where possible;
- Incorporate renewable sources into new buildings in line with the above targets;
- Consider buying efficiency devices to save energy and to gain long term financial savings (i.e. lighting and heating controls);
- Look to purchasing alternative vehicles that are more sustainable.

## **6.3 Packing**

Disposing of waste in landfill sites has huge environmental impacts and can cause serious problems. In the UK we're running out of space so price of landfill is significantly increasing year on year. Some waste will eventually rot, but not all, and in the process it may smell, create litter, attract vermin, generates methane gas, which is explosive and contributes to the greenhouse effect, and produces leachate as waste decomposes creating pollution.

Incinerating waste also causes problems, as plastics tend to produce toxic substances, such as dioxins, when they are burnt. Gases from incineration may cause air pollution and contribute to acid rain, while the ash from incinerators may contain heavy metals and other toxins, which is sent to landfill.

The reduction of packaging used on products can play a major part in avoiding waste and reducing landfill. The following guidelines should be taken into consideration when preparing specifications: -

- Where possible try to avoid the purchase of over packaged goods;
- Check if the supplier will take back any substantial packaging for reuse;
- Ask the supplier about the level of recycled materials used in the makeup of the packaging;
- Check with the supplier to ensure that packaging used on the product is fully recyclable.

## **7. Where to go for more help?**

More information and guidance is available on [Trust Sustainable Procurement webpage](#) or by contacting the Trust's Procurement team.

More information and advice about the Trust Sustainable Development programme or environmental / ethical matters is available on the Trust [Environmental Matters webpage](#) or by contacting the Trust's Environmental Sustainability Manager.

Helpful websites include:

- CIPS: [Sustainable Procurement](#)
- EU Green Procurement: [http://ec.europa.eu/environment/gpp/index\\_en.htm](http://ec.europa.eu/environment/gpp/index_en.htm)
- NHS PHE Sustainable Development Unit: [Procurement Resources](#)
- NHS supply chain: [Sustainability](#)
- UK Government: [Sustainable procurement tools](#)
- WRAP: [Sustainable Procurement](#), [Sustainable Procurement eLearning Modules](#) & [Facilities Procurement Toolkit](#)
- Tradeshift: [www.tradeshift.com](http://www.tradeshift.com)