



Towns Fund Sustainable Future

Power to your **procurement**



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Lets first define Sustainability

'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'

The Brundtland Report 1987



A journey of a thousand miles starts with a single step



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The First Step

PPN 06/20

Taking account of Social Value in the award of Central Government Contracts

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Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

Action Note PPN 06/20

September 2020

Issue

1. This Procurement Policy Note (PPN) launches a new model to deliver social value through government's commercial activities. Central government organisations should use this model to take account of the additional social benefits that can be achieved in the delivery of its contracts, using policy outcomes aligned with this Government's priorities.

Action

2. Social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject-matter of the contract, rather than just 'considered' as currently required under the Public Services (Social Value) Act 2012. Unnecessary burdens should not be placed on commercial teams or suppliers.

3. In scope organisations must:

- Familiarise themselves with the social value model at Annex A, including the menu of priority policy themes and outcomes that can be applied in new procurements.
- Ensure all those involved in commercial activity in the organisation complete the e-learning on social value which can be accessed via the [Government Commercial College](#).

4. Further detailed guidance on applying the model will be published on GOV.UK. Procurements related to construction, capital investment and infrastructure projects above £10m should use the priority themes and outcomes in applying the Balanced Scorecard for Growth ([PPN 09/16](#)) and the guidance on this will be updated.



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PPN: 06/20 - Further detail

This measure has five key themes

Theme 3 is Fighting Climate Change via Effective Stewardship of the Planet

- Deliver environmental benefits
- Reduction in greenhouse gas emissions
- Support environmental protection and improvement

Project specific data, carbon reduction and sustainable options

The Second Step

PPN 06/21

Taking account of carbon reduction plans in the procurement of major government contracts



Cabinet Office

Procurement Policy Note – Taking Account of Carbon Reduction Plans in the procurement of major government contracts

Action Note PPN 06/21

05/06/2021

Issue

1. The UK Government amended the Climate Change Act 2008¹ in 2019 by introducing a target of at least a 100% reduction in the net UK carbon account (i.e. reduction of greenhouse gas emissions², compared to 1990 levels) by 2050. This is otherwise known as the 'Net Zero' target. This Procurement Policy Note (PPN) sets out how to take account of suppliers' Net Zero Carbon Reduction Plans in the procurement of major Government contracts.

Dissemination and Scope

2. This PPN applies to all Central Government Departments, their Executive Agencies and Non Departmental Public Bodies. These organisations are referred to in this PPN as 'In-Scope Organisations'. Please circulate this PPN within your organisation, drawing it to the attention of those with a commercial and procurement role.

3. In-Scope Organisations should take action to apply this PPN when procuring goods and/or services and/or works with an anticipated contract value above £5 million per annum³ (excluding VAT) which are subject to the Public Contracts Regulations 2015 save where it would not be related and proportionate to the contract.

4. This PPN applies to framework agreements and dynamic purchasing systems only where it is anticipated that the individual value of any contract to be awarded under the





PPN: 06/21 - Further detail

To comply with the measure, suppliers will need to provide a 'Carbon Reduction Plan' which has:

- Been published on their website
- Detailed the bidding organisation's GHG emissions in the UK
- Confirmed the bidding organisation's commitment to achieving Net Zero by 2050
- Detailed the environmental management measures they have in place

The measure does not compare one Supplier to another as a means of assessment:

- Carbon footprint/emissions data will not be compared from one supplier to another
- Net Zero target dates will not be compared from one supplier to another
- Carbon reduction progress to date will not be compared from one supplier to another

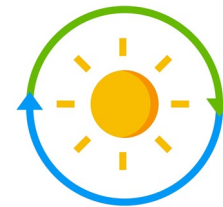


PPN: 06/20 and 06/21

Valuable tools in the regeneration process

- 06/21 will give the supply business data, showing their targets and plans are inline with your own
- 06/20 is down to the project and how each procurement can help you achieve your own target

And the suppliers had this reaction



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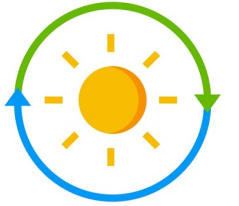
Supplier Live Q&A

Seven events

Panel discussions with live Q&A

980 registrations

189 Questions



Suppliers

Ongoing discussions

Want to achieve more

Are proud of their accomplishments

High majority have targets in the 2030 - 2040 timeframe



Reaching out

Industry engagements

108 agreements

Track industry trends



What we have learnt

Few years before was more of a will do, now it is no longer lip service but a must do

Direct Line CEO said 25% of his working week is on Climate Change

Getting calls from investors asking to invests in the business as a green option for portfolios

Reduction of chemicals in their cleaning products, would like to ban bleach!

Circular economy

recycle old furniture 10% is reuse 90% is remanufactured / recycled

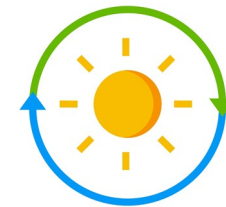
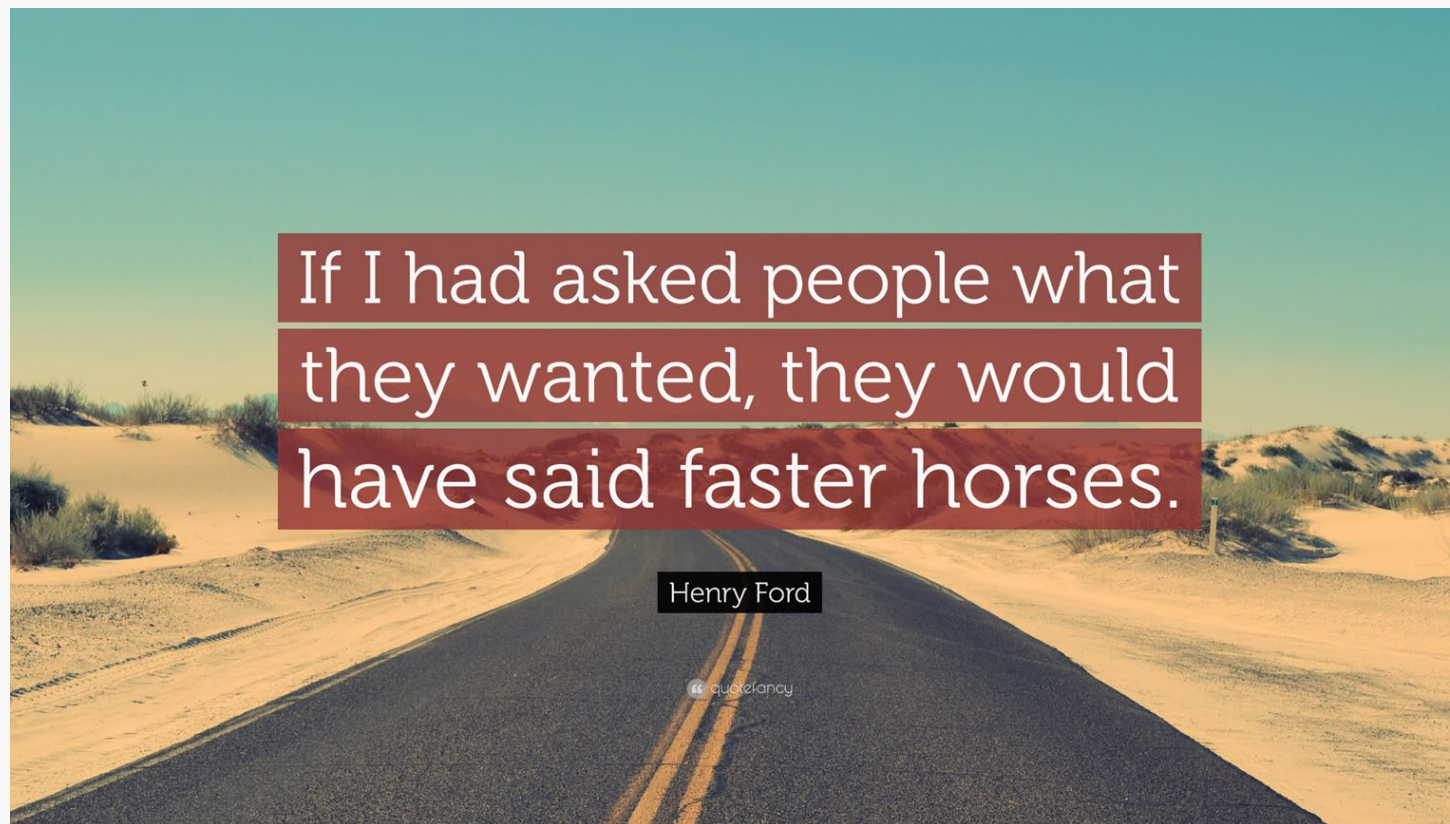


Regenerate / Regrow / Rewild

- Suppliers are ready
- Need the ideas
- Need the plans
- Need the direction

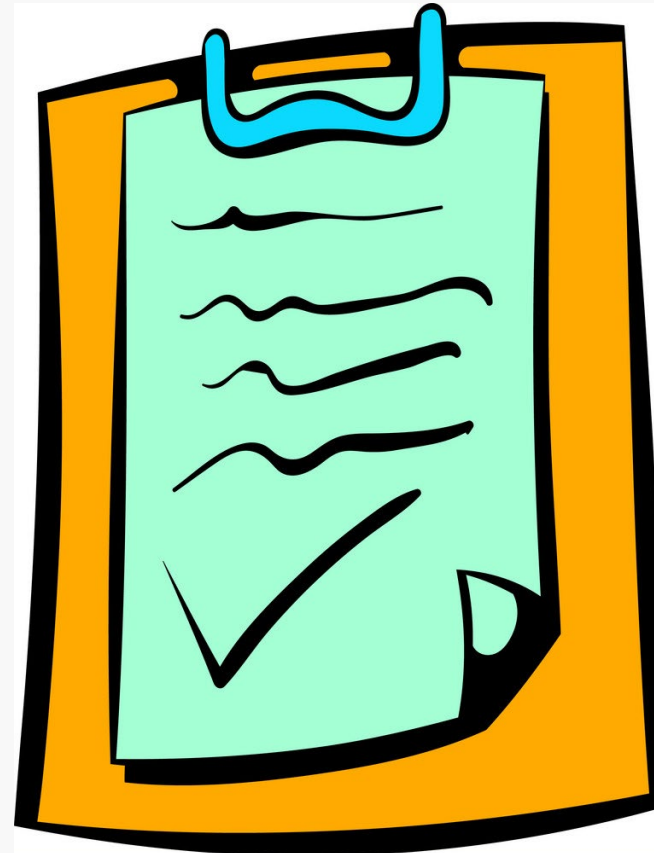


After all



Agreements

- Traffic Management
- Spark - Innovation
- VCIS - Vehicle Charging
- AI
- Waste
- Water
- HELGA - Energy supply
- Back Office Software
- DAS - Big Data
- Product - IoT
- Network Services



Any Questions



Important Links:

<https://www.crowncommercial.gov.uk/products-and-services/aggregation>

<https://www.crowncommercial.gov.uk/sectors/local-government>

<https://www.crowncommercial.gov.uk/buy-and-supply/carbon-net-zero>

<https://www.crowncommercial.gov.uk/power-to-your-procurement/commercial-agreements-2020-brochure/>

<https://www.crowncommercial.gov.uk/events>

<https://townsfund.org.uk/external-partners/crown-commercial-service>

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