

Audit committee paper title		AC 12/07/16 - 9
Procurement: Ethical, Social and Environmental Considerations		
Report by	Wayne Hubbard	
Job Title	Chief Operating Officer	
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Summary

This paper seeks approval from the Audit Committee to adopt an ethical and sustainable procurement policy.

Recommendation

- To approve the ethical and sustainable procurement policy at Appendix 1.

Originating Officer	Wayne Hubbard
Contact details	wayne.hubbard@lwarb.gov.uk 020 7960 3684

Report

Background

The London Waste and Recycling Board is a public environmental organisation with environmental protection defined as one of its objectives in the GLA Act ('to promote and encourage The use of methods of collection, treatment and disposal of waste which are more beneficial to the environment') and should underpin all of LWARB's work. In addition to seeking environmental benefits from its operations, LWARB also aims to achieve positive social outcomes (such as jobs and training places and increased economic activity in London) through its investments.

While the value of goods and services purchased by LWARB is not great, this purchasing power is one means through which LWARB's objectives can be promoted.

To this end, a statement on ethical, social and environmental considerations in relation to procurement has been drafted (Appendix 1). This statement is not intended to add any onerous extra requirements on procurements but rather to formalise considerations that are likely to already be considered informally by officers undertaking procurements.

Appendix

Appendix 1: Draft Ethical and Sustainable Procurement Policy

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LWARB Procurement: Ethical, Social and Environmental Considerations

LWARB's procurement procedures are set out in the procurement section of its Operations Manual which covers the procedures to be followed for procurement of goods and services of varying value.

When procuring goods and services following these procedures LWARB will endeavour, wherever possible, to consider the ethical, social and environmental impacts of the procurement and, where appropriate, will consider how procurement activity might improve the social and environmental well being of the local area in compliance with the Public Services (Social Value) Act 2012, when procuring goods and services above the EU Thresholds.

In general, LWARB will avoid engaging suppliers or contractors who:

- exploit child or sweated labour;
- disregard health and safety;
- 'pirate' intellectual property; or
- wilfully damage the environment.

LWARB will ensure that it complies with all relevant environmental and procurement legislation and will endeavour to:

- Only buy goods and services that are truly necessary.
- Favour reuse, repair and recycling of products over purchase of new items.
- Favour the purchase of goods containing recycled materials over those produced from virgin commodities.
- Minimise the use of virgin non-renewable natural resources and support the use of sustainable sources.
- Consider the water and energy and materials efficiency and CO2 emissions in both in the manufacture and operation of any equipment purchased.
- Avoid the use of hazardous chemicals where a less damaging alternative is appropriately available.
- Support Fair-trade and ethical purchasing.
- Favour firms and consultants who are able to demonstrate a similar commitment to environment ethical, social and environmental considerations in their procurement policies.