



Cardiff Council's Circular Procurement Journey

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Cardiff Council



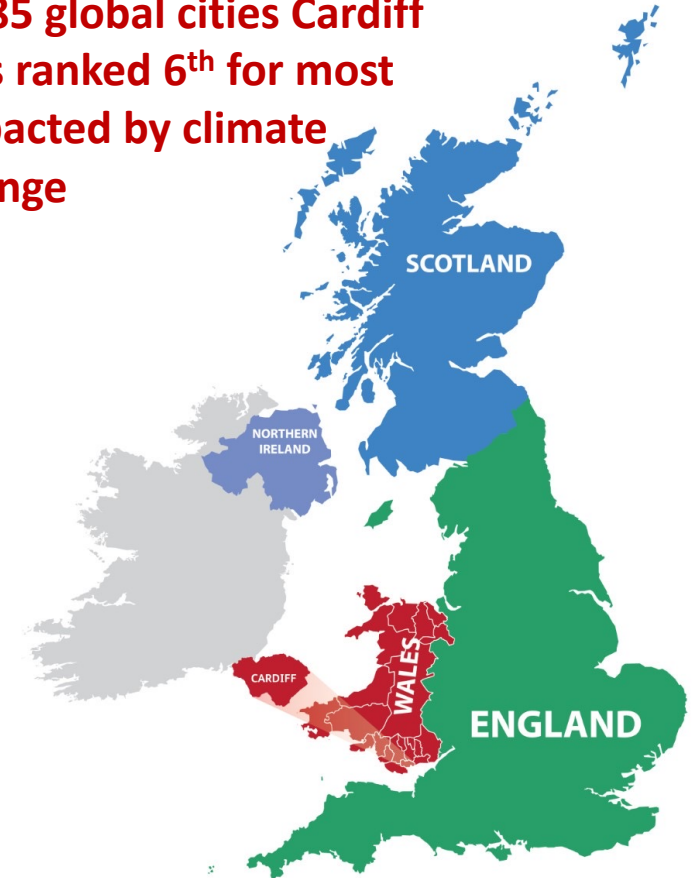
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Cardiff Council

- Wales part of the UK and from 1999 has a devolved government
 - Population **3.1 million**
- Local authority and largest employer in Wales, employing around **15,000 staff**
- Delivers over **700** services to around **480,000** people who live in Cardiff – social care, education, waste management, social housing, parks ...
-and almost **80,000** people who commute daily into the city
- Spend **£482 million (C\$829m)** each year on a diverse range of goods, services and works with **6,900** suppliers and contractors
- Procurement Team recognised as Advanced in KPMG survey but to maintain the expertise of the team in face of **ongoing budgetary pressures Atebion Solutions** was established to generate external income. Also delivering the Procurement Council



Of 85 global cities Cardiff was ranked 6th for most impacted by climate change




Atebion
SOLUTIONS

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Our Policy Drivers – National and Local

Welsh Context



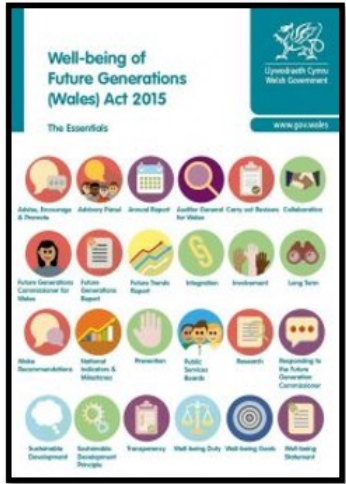
Community Benefits
Helping Suppliers Deliver Maximum Value for the Welsh Pound



Practice Employment Chains



Wales Procurement Policy Statement
March 2021



Well-being of Future Generations (Wales) Act 2015
The Essentials



Opening Doors
The Centre for SME, Family Procurement



Net zero carbon status by 2030
A route map for decarbonisation across the Welsh public sector

Cardiff Council Context



Cardiff Well-Being Plan 2018-2023



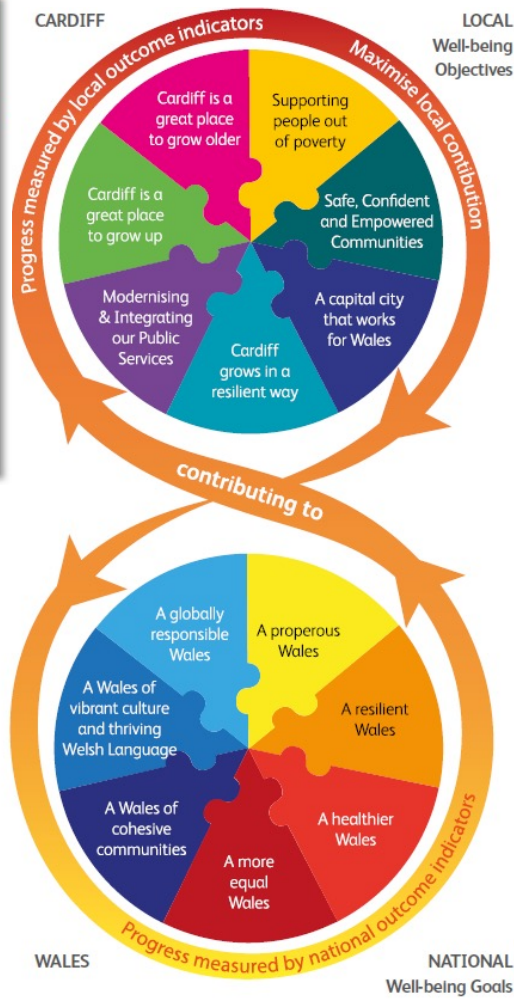
Delivering Capital Ambition
Cardiff Council Corporate Plan 2020-23



CAPITAL AMBITION
OUR COMMITMENTS FOR CARDIFF



One Planet Cardiff
Our vision for a Carbon Neutral City by 2030



Cardiff Council Commissioning & Procurement



Cardiff Council's Procurement Strategy 2017-2023
Delivering Commercial and Social Value



Cardiff Council's Socially Responsible Procurement Policy

Local Training and Employment

Think Cardiff First

Partners in Communities

Green and Sustainable

Ethical Employment

Promoting the Wellbeing of Young People and Vulnerable Adults

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Our vision for a **Carbon Neutral City** by 2030

- Cardiff Council declared a Climate Emergency in 2019
- One Planet Cardiff Strategy sets out the Council response
 - One Planet Cardiff Steering Board – Chaired by the Council Leader
 - Sets our priorities against seven key themes
 - Carbon Baseline and impact assessment
 - Detailed Action Plan
 - Developing public engagement and behavioural change programme
 - [Agenda for Cabinet on Thursday, 14th October, 2021 2.00 pm : City of Cardiff Council \(moderngov.co.uk\)](#)

The 7 Key Themes of the Strategy



Energy - This includes how energy is used, how it's sourced, distributed and generated. Our aim is to use less, to source more from clean renewable sources, and to help build business around this growing sector.



Built Environment and Housing Quality - This comprises existing and planned buildings and infrastructure. We need to constantly improve the energy efficiency and resilience of our new and existing buildings and communities, and capture the skills and jobs required to achieve this for the benefit of the local economy.



Green Infrastructure - Our integral green spaces and biodiversity need to be protected and enhanced. We need to take bold steps to add to the natural green assets of the city making a healthy, clean, biodiverse, environmentally positive place in which citizens and business can thrive.



Transport - We need to look closely at how we move around the city and at the infrastructure required to minimise the impact of vehicle emissions and air quality. Our plans are to replace as many single user, fossil fuelled trips as possible with sustainable low carbon modes of travel, whilst ensuring that they don't simply migrate problems elsewhere.



Waste Management - By reducing waste production, making thoughtful procurement decisions, and by recycling what waste is produced in the right way, we can reduce our carbon footprint. We also recognise that certain waste can be an important low carbon energy source, helping to build new, clean, local and resilient economic activity.



Food - The production, transportation, processing and disposal of food is a major source of emissions and our proposals are aimed at supporting smarter, more localised and more socially equitable food systems, that could also boost the local food economy.



Water - How we source, use and manage water, and how we protect ourselves against drought and flooding are crucial parts of our aims to build climate resilience and the strategy outlines a series of current and future responses to this challenge.

IF WE DO NOTHING

IF WE ACT NOW





**One
Planet
Cardiff**

Our vision for a
**Carbon Neutral
City** by 2030

www.oneplanetcardiff.co.uk



Carbon Modelling of selected intermediate / short term OPC Projects

2019 GHG Baseline	1,626,059
Cardiff Heat Network	9,046
Major Renewables Energy Projects	2,977
Coed Caerdydd / Cardiff Urban Forrest	13,372
Private Housing Retrofit	2,546
Council Housing Retrofit	2,455
Transport White Paper	328,576
Other Sequestration	1,277
Post Implementation GHG Emissions	1,265,809
GHG Emissions Reduction (modelled)	360,250



Tonnes CO₂e

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Scope 3 Emissions Baseline

Welsh Government Guidance on CO₂e Calculations Data Sources

- **Tier 1** – Proxy Data – every £ spend assumed to equate to xx kg/CO₂e, based on SIC codes
- **Tier 2** – Benchmark Data – uses industry average emission data to produce factors for standard units e.g. kg/CO₂e per km for class / type of vehicle
- **Tier 3** – Actual Activity Data – based on actual consumption metrics reported by suppliers / contractors / service providers



Reporting Scope	GHG Emissions (tonnes CO ₂ e)
Scope 1 (Direct) GHG Emissions	14,745.19
Scope 2 (Energy Indirect) GHG Emissions	11,373.08
Scope 3 (Other Indirect) GHG Emissions	163,441.10
(Gross) Total GHG Emissions (tCO ₂ e)	189,559.36
Land-use Sequestration (tCO ₂ e)	-4,654.84
(Net) Total GHG Emissions (tCO ₂ e)	184,904.52

Assessing the impacts of Scope 3 emissions is complex – and the actions required is a significant challenge for the Council.

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Procurement GHG Emissions

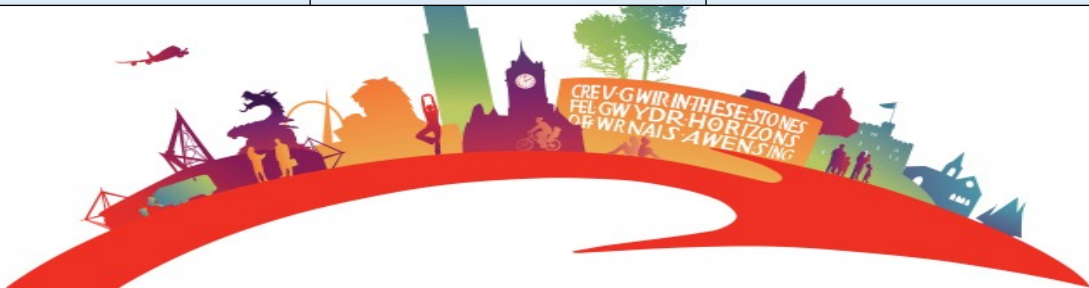
Category Management Approach

- **3** Category Teams
- **9** Sub Category Groups
- **48** Supply Chain Categories
- **450** Plus Sub Categories

Category	Expenditure	GHG Emissions (tonnes CO ₂ e)
Corporate	£134,310,549	49,119.23
Environment	£124,733,220	58,480.24
Social & People	£167,304,979	46,744.93
Excludes Utilities & Energy	£426,348,748	154,344.40



Subcategory	Cardiff Supply Chain Category	SIC Code (2007)	Conversion Factor kgCO ₂ e/£	19/20 Expenditure	GHG Emissions (tonnes CO ₂ e)
Buildings & Estates	Buildings Construction Projects	41-43	0.37	£27,140,137	10,041.85
	Buildings Materials	41-43	0.37	£3,832,670.99	1,418.09
	Facilities Maintenance	81	0.25	£2,889,575.99	722.39
	General Building Services	81	0.25	£32,773,935	8,193.48
	Leisure and Other Facilities	93	0.29	£835,865.98	242.40
	Mechanical and Electrical Services	81	0.25	£3,871,137.63	967.78
	Prefabricated and Temporary Buildings	81	0.25	£1,330,599	332.65
	Property Leases and Accommodation Services	81	0.25	£1,514,217	378.55
				£74,188,139	22,297.21





**One
Planet
Cardiff**

Procurement Opportunities



- Root and branch review of what we buy, identifying the high carbon areas, alternatives and quick wins;
- Training for specifiers - Smarter specification and Circular Economy thinking;
- Encourage and favour lower carbon supplies in tender evaluations; and
- Public sector collaboration and market engagement to signal changed requirements from suppliers

INTRODUCTION TO CIRCULAR PROCUREMENT WORKSHOP

Cardiff Council workshop

Delivered by WRAP Cymru
Funded by Welsh Government

Dr Mervyn Jones
Director, Sustainable Global Resources Ltd
28 September 2020

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WRAP Cymru 2019 - Review Summary



- Procurement is not a neutral tool. If it is not used strategically and proactively to positively deliver policy objectives, it will impact them negatively by 'kicking the can down the road'.
- Two distinct groups of spend areas emerge from the analysis:
 - Closing material loops through resource efficient procurement practice, e.g. recycling (Food, Infrastructure, Waste management, Construction, and Events); and,
 - Reducing and rethinking consumption, e.g. better utilisation, reuse or refusing products and encouraging smarter product use and manufacture of higher volume consumption products.
- Based on the assessment the key spend areas that would benefit from a more strategic approach to sustainable procurement are:
 - Food & Catering – Infrastructure – Construction - Facilities Management.



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Socially Responsible Procurement Strategy Objectives



1. **Contributing to the Council's aim to be a Carbon-Neutral City by 2030.**
2. Making procurement spend more accessible to local small businesses and third sector.
3. Improving Fair Work and Safeguarding practices adopted by suppliers.
4. Increasing community benefits delivered by suppliers.
5. Securing value for money and managing demand.
6. Ensuring legal compliance and robust and transparent governance.
7. Promoting innovative and best practice solutions.

WHERE ARE WE NOW

Through its One Planet Cardiff strategy the Council has committed to be Carbon Neutral by 2030.

Using the Welsh Government's Carbon Reporting Framework more than 80% of our carbon footprint comes from the indirect emissions arising from the supplies, services and works the Council buys to support the delivery of Council services.

Therefore, any reduction in our carbon footprint **will need to be delivered through Directorates rethinking and challenging what they buy and how it is delivered.**

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Procurement - Decarbonisation Workstream

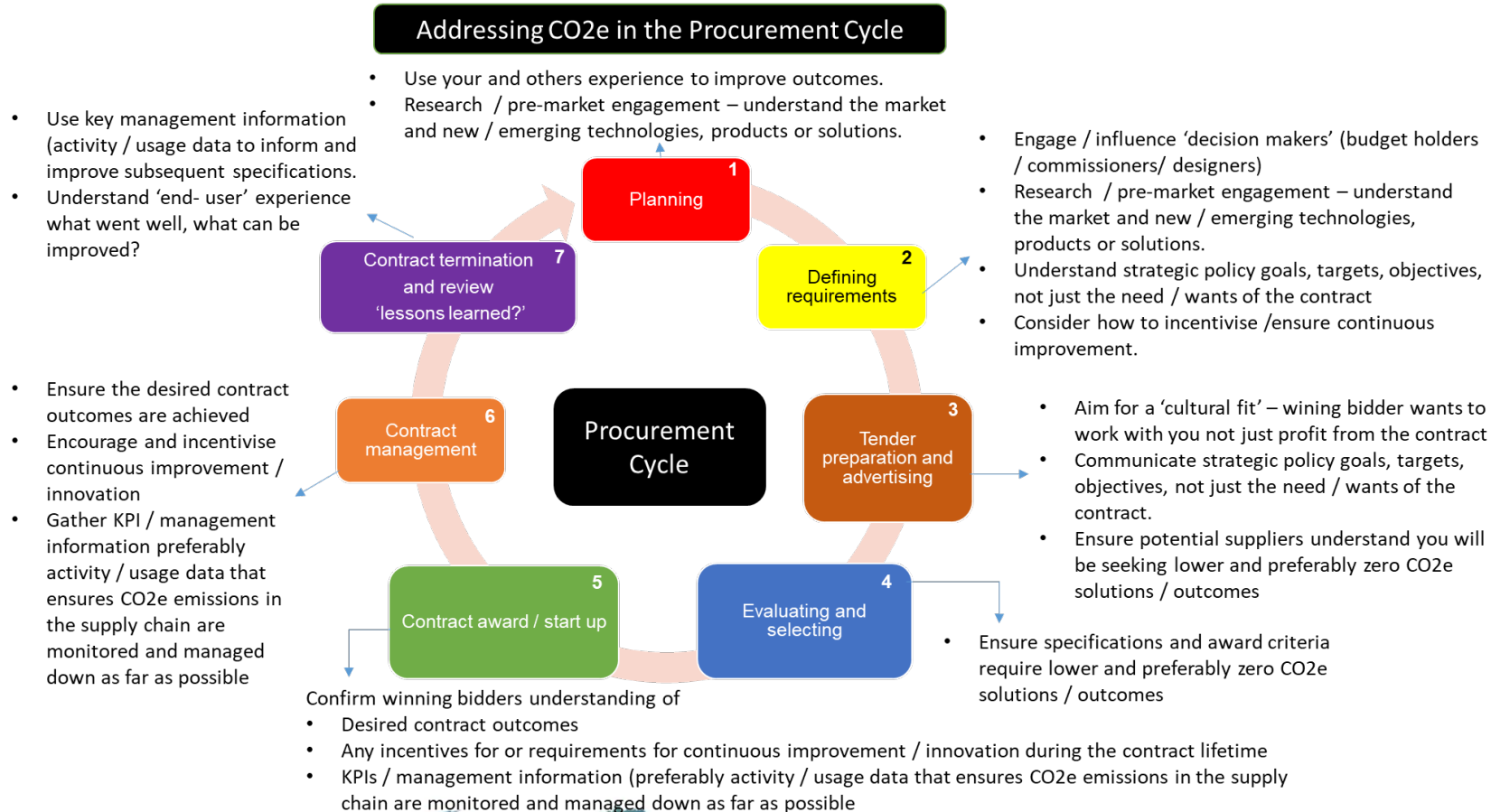


- Utilising Scope 3 baseline data to continue to identify spend with high / medium CO2e and explore how current behaviours and contracts can be changed
- Educating those staff responsible for specifying the goods, services and works to help deliver smarter, more carbon and climate responsive specification and embed Circular Economy thinking
- Engaging with experts to provide best-practice guidance on project and Council wide opportunities
- Sharing good practice and apply whole-life costs to tender evaluations
- Encouraging and recognising lower carbon supplies / suppliers in tender evaluations
- Attending and fully contributing to national decarbonisation working groups
- Investigating opportunities for Public sector collaboration and market engagement to signal changed requirements from suppliers



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Addressing CO2e in the Procurement Cycle



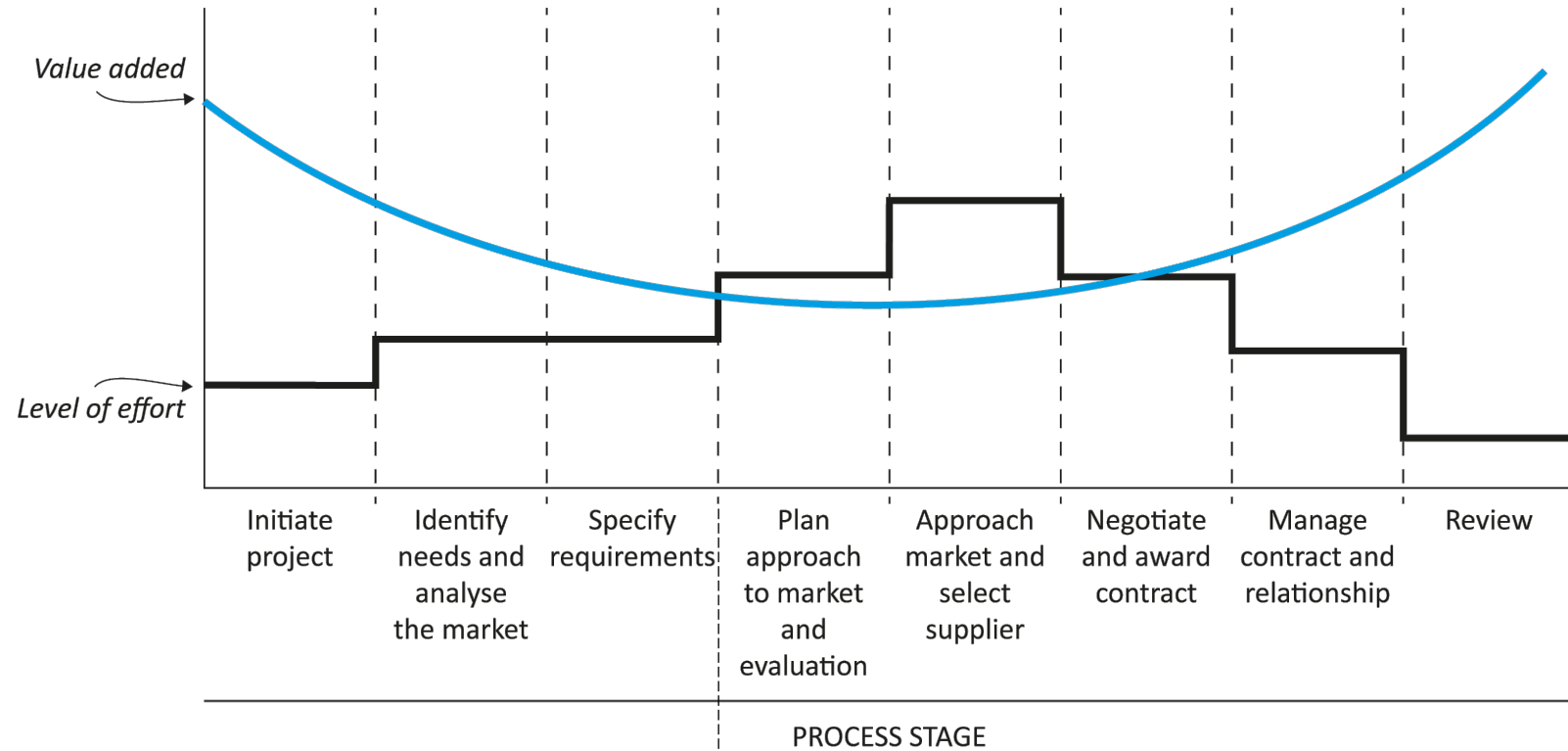
Steps 1 to 5 about ensuring that organisations supporting the Council to reduce CO2e emissions score well

Steps 5 to 7 about ensuring delivery of commitments

Wales Procurement Policy Note

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Source: New Zealand Government Procurement Reform Programme

Challenge need – eliminate or reduce consumption
Challenge requirements – specification / alternative solutions

What We Buy

How We Buy

Technical and Service Specifications

Selection Criteria

Method Statements

Terms and Conditions

Added Social Value (TOMS)

Performance Measures / KPIs

Choice of Procedure
Output / Outcome focused

01

Allow public bodies in Wales to **understand where they are on their journey** to embedding circular procurement principles within and across their organisation

02

Assess level of strategic adoption and operational **practice of circular procurement principles**

03

Assess level of **purchase** of reused, remanufactured, leased and sustainably sourced products.

04

Provide **clear recommendations and actions** that allow organisations to develop specific targets and tailored plans for continual improvement.

05

Provide a **baseline assessment** (score) and level of achievement, for the purpose of benchmarking against peer organisations.



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Next Steps



We want to:

- Contract with businesses organised on Circular Economy (CE) principles (e.g. eco-design, design for disassembly)
- Utilise / require Original Equipment Manufacturer (OEM) or supplier take back of products and/or packaging.
- Include waste disposal requirements in contracts or establish separate contracts for waste disposal that require waste segregation to minimise residual 'non-recyclable' waste and create revenue streams for recyclable materials in recycle markets.

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Any Questions?

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