Sustainable Procurement

Overview

The City of Canada Bay has continued to achieve great outcomes in Sustainable Procurement. Council’s Sustainable Procurement Policy and Guidelines have continued to be integrated into its everyday procedures.

Beginning with a second sustainable supplier survey, the survey has not only encouraged Council’s suppliers to consider sustainable procurement in their business operations, but the results have led to a number of great outcomes including a biodiesel trial, 100% carbon neutral paper and new opportunities to further integrate sustainable development principles into the design & tender process.

Background

Council recognises its responsibility across the community to protect the environment and to preserve it for future generations. One such initiative is Council’s Sustainable Procurement Policy and Guidelines. **Sustainable Spaces & Places** aims to ‘inspire residents and business to be environmentally sustainable’ and ‘be innovative and apply good governance to meet community expectations and legislative obligations’.

Research into what and how Council procures goods also assisted it to develop the actions in this project. Analysis of the entire list of suppliers helped to prioritise actions to improve sustainable procurement at Canada Bay. Monitoring of greenhouse gas emissions from paper use also helped identify the action to improve the procurement of paper across Council.

The project objectives were:

- Minimise unnecessary purchasing
- Minimise waste – purchase in accordance with reduce, reuse and recycle strategies;
• Save water and energy
• Minimise pollution – avoid purchasing products that pollute soils, air or waterways; and
• Greenhouse benefits – purchase products that reduce greenhouse gas emissions.

Implementation

Firstly, the Sustainability Team worked with Council’s Procurement Coordinator to integrate the Sustainable Procurement Policy into Council’s Procurement Operations Management System. This was done to help make sustainability a part of everyday procurement, rather than something separate, and also helped to develop a relationship with the Procurement Coordinator leading to a number of other projects.

The key project in the last financial year was to survey all of Council’s suppliers and request information about their environmental credentials and sustainability performance. The Team worked with the Procurement Coordinator to develop a letter and survey for Council’s suppliers. The survey requested information on our supplier’s corporate environmental management, corporate social responsibility, packaging, transport and product sustainability.

The results of the survey were collated with the intent to create a ‘sustainable suppliers’ list. In addition, the close analysis of all of suppliers assisted Council to identify a number of areas for improvement including:
- Alternative supply of fuel i.e. biodiesel
- Reuse of road base materials
- Change type of paper to carbon neutral and 100% recycled
- Integrating sustainable development principles into its design & tender process.

Outcomes

Council sent out 1500 surveys to suppliers which achieved a number of outcomes. By sending out the surveys it sent a message to suppliers that Council is considering sustainability as a factor in its purchasing decisions, in turn creating an incentive for vendors to address sustainability in their organisation. Council generated a list of about 50 ‘sustainable vendors’ who indicated they address the sustainability criteria in some way.

The review of the supplier list had flow on outcomes as a result of analysing the spending per vendor. It allowed Council to clearly see where its largest costs are and what the most procured items or materials are, leading to a prioritisation of actions for improving sustainable procurement. Some of the achievements that followed the review include;

- Council now purchases 100% carbon neutral paper. As the cost of this paper is cheaper, the savings made each year (approx. $500) have been used to make the case for procuring recycled paper diaries which are more expensive. Savings from the paper will be used to offset any extra cost.
- A partnership was commenced with Council’s Fleet Manager to investigate the introduction of biodiesel. Fuel is one of the highest costs to Council and identified in the draft greenhouse gas reduction Action Plan as a high source of emissions. A trial of biodiesel has commenced at Council’s golf course whereby all fleet at the golf course will run on biodiesel.
Key Learnings

Challenges for the project are maintaining ongoing and active engagement with staff that procures at Council as well as the vendors that supply to Council. Council has aimed to address this challenge with constant communication and by forming strong working relationships across Council divisions.

Another challenge was working with staff who were sceptical on the use of biodiesel. With the use of forums, feedback from other Councils and industry advice, the trial project was accepted and approved. Pre-conceived ideas about integrating sustainability into tenders will be an ongoing challenge and this will be managed with positive engagement, education and communication.

Council will ensure the project is ongoing by completing a supplier survey every second year. This will continue to encourage vendors to consider sustainable procurement and ensure Council’s list of sustainable vendors is up to date. The supplier survey is a project that can easily be shared and transferred to other Councils. The information from our Sustainable Procurement Policy has previously been shared with other Councils interested in Canada Bay’s work.

The next steps for this project will be to plan for the next supplier survey, continue to work on opportunities for integrating sustainable development principles into Council’s design & tender process, and review the results of the biodiesel trial.

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This project was the 2014 winner of the Sustainable Procurement Award at the LGNSW Excellence in the Environment Awards.