Report to: Trust Board - August 2012

Title | Sustainable Procurement Strategy

Sponsoring Executive Director | Julia Clarke

Author(s) | Charlotte Hill - Shropshire Healthcare Procurement Service

Purpose | To include sustainability criteria in purchasing decisions

Previously considered by | Good Corporate Citizen Procurement Group – March 2012
| Operational Delivery Group – 12th July 2012
| Hospital Executive committee – 24 July 2012

Executive Summary

The Shropshire Healthcare Procurement Service - SHPS has produced a Procurement Strategy which focuses on the areas where we need to make changes to reduce our carbon intensity and environmental impact of the products that we procure – overall in the NHS procurement accounts for approximately 59% of the overall NHS carbon footprint.

The Strategy is complementary to the Good Corporate Citizen goals and SaTH’s objectives in the Sustainability and Carbon Management Strategy, together with the wider NHS carbon reduction targets. In due course, measurement and reporting of carbon resultant from procurement is likely to form part of national reporting – and could even become a chargeable commodity as is now the case with energy-related carbon, which is costing the trust over £100,000 in 2012/13 in the form of carbon credits. As one of the largest purchasers in the UK economy the NHS is well placed to influence suppliers’ approaches to sustainability.

The Strategy recommends that the Trust adopts a principle to apply sustainability assessment as part of the procurement process – initially for electrical items over £20,000 and also to assess the sustainability of the top three medical and non-medical products via NHS Supply Chain.

The weighting given to sustainability will be 10% of any tender analysis.

It will consider energy, water, waste, packaging and recyclability as objective measures and also the more subjective areas around location of manufacture and social responsibility.

A Pre-qualification Questionnaire (Appendix 1) has been developed to support the Strategy and a copy is attached.

Related SATH Objectives | SATH Sub-Objectives
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Quality and Safety: We will always provide the right care for our patients. | Q&S 5. Meet regulatory requirements/healthcare standards.
Financial Strength: We will develop and deliver robust plans that generate surpluses to reinvest in quality. | FS. Maximise productivity and efficiency of our services.

Risk and Assurance Issues | Assurance required in Annual plan submitted to SHA
Equality and Diversity Issues | Ensure fair pay and conditions through the supply chain
Legal and Regulatory Issues | Climate Change Act

Action required by the Trust Board

DISCUSS and APPROVE the Sustainable Procurement Strategy and Pre-Qualification Questionnaire.