



**Addressing Carbon in the
Supply Chain**

APSE Energy Event

Tuesday 5 September 2023

Steve Robinson



Ardal procurement service



Ardal is a new procurement service established by Cardiff Council to deliver our collaborative procurement partnership with Monmouthshire County Council, Torfaen County Borough Council and the Vale of Glamorgan Council.

With a combined annual spend of over £1 billion, our aim is to deliver socially responsible procurement for all of our partners through shared resources, knowledge, and expertise.



Ardal is also the new home for our successful regional and national procurement frameworks.



Ardal (Welsh definition *area, district*) chosen to reflect the regional focus of the partnership and our collaborative frameworks



Aligned Key Procurement Objectives



CONTRIBUTING TO THE COUNCIL'S AIM TO BE A CARBON-NEUTRAL COUNCIL BY 2030



MAKING PROCUREMENT SPEND MORE ACCESSIBLE TO LOCAL SMALL BUSINESSES AND THIRD SECTOR



IMPROVING FAIR WORK PRACTICES ADOPTED BY SUPPLIERS



INCREASING COMMUNITY BENEFITS AND SOCIAL VALUE DELIVERED BY SUPPLIERS



SECURING VALUE FOR MONEY AND MANAGING DEMAND



ENSURING LEGAL COMPLIANCE AND ROBUST AND TRANSPARENT GOVERNANCE



PROMOTING INNOVATIVE AND BEST PRACTICE SOLUTIONS



- Education and Learning initiative to embed procurement priorities
- Five key messages to staff aligned to procurement cycle



CHALLENGE WHAT YOU ARE BUYING

Before starting any procurement process, you must challenge what you are buying and whether you even need to buy it.



CONSIDER THE WELLBEING IMPACT

You need to consider the environmental, social, economic and cultural impact of what you buy and how it is delivered



USE IN-HOUSE OR EXISTING CONTRACTS

You need to check the Supply Directory to see if there is any in-house provision or an existing contractual arrangement



BE OPEN, FAIR & TRANSPARENT

You need to ensure suppliers are treated fairly and we are open and transparent about any contracts we award – including those awarded without competition



MANAGE CONTRACT DELIVERY

You need to ensure that the contract is proactively managed and that both the Council and its suppliers understand their obligations.

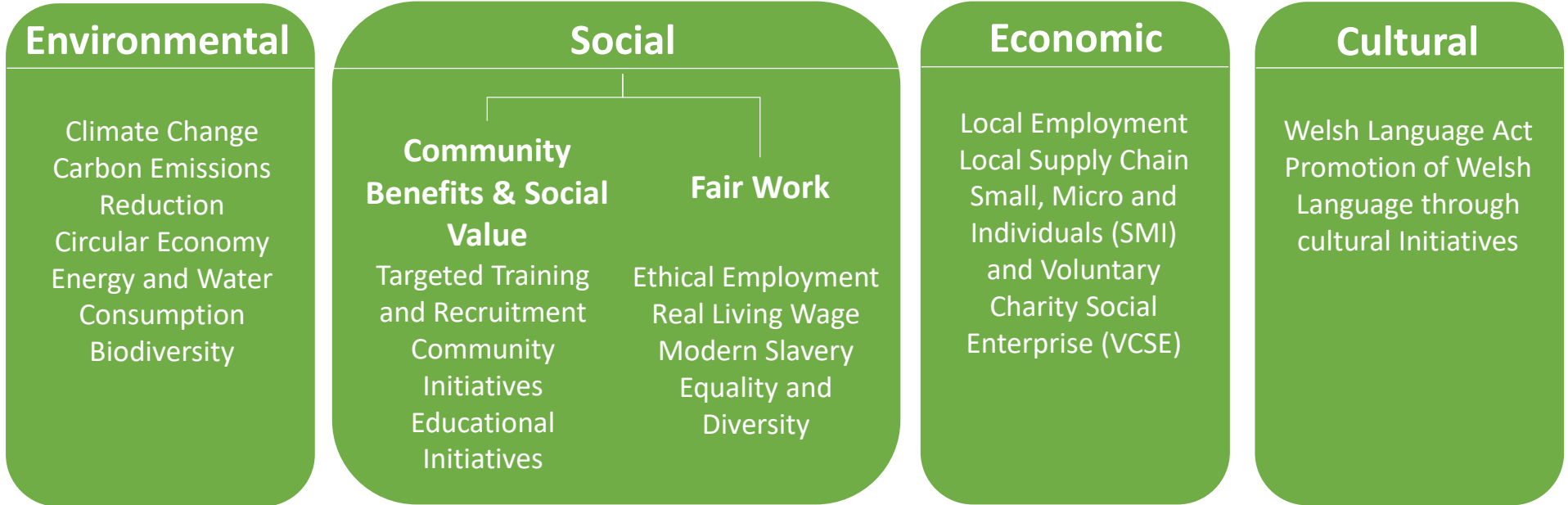
Socially Responsible Procurement Policy



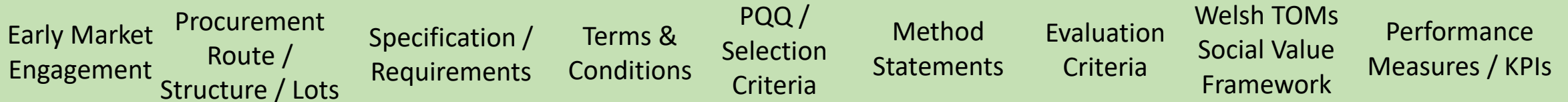
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WHAT



HOW



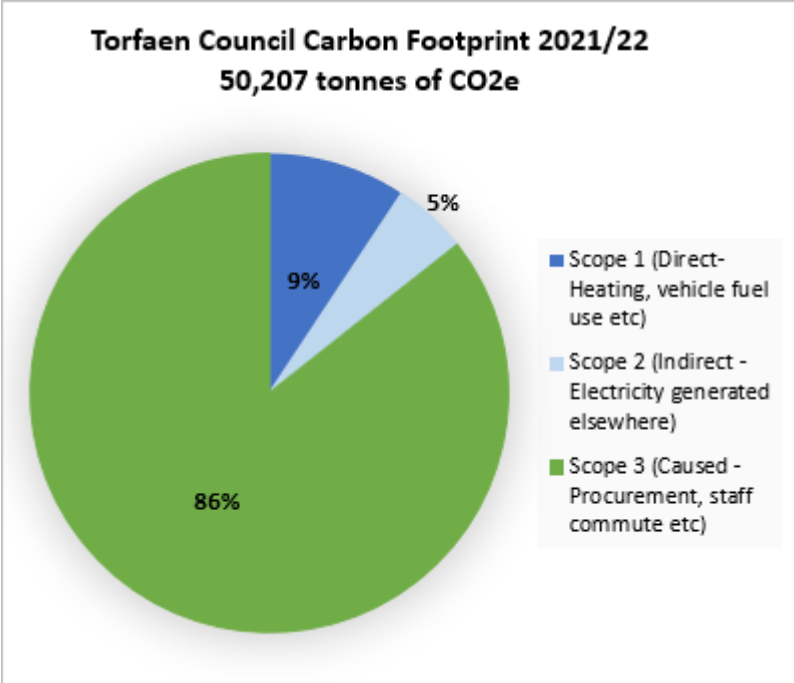
Contributing to the Council's aim to be a carbon-neutral Council by 2030



Understanding the **carbon footprint** of the Council's purchased goods, services and works to ensure our carbon reduction **activity is targeted** where it can have the biggest impact.

Working with our elected members, staff, partners and contractors to ensure that carbon reduction is **fully embedded** in our decision-making processes throughout the **procurement cycle** and low carbon solutions are implemented where appropriate.

Collaborating with, and learning from organisations across the public, private and third sector to encourage and accelerate the transition to low carbon solutions.



Scope 1	Scope 2	Scope 3
Fuel combustion Company vehicles Fugitive emissions	Purchased electricity, heat and steam	*Purchased goods and services* Business travel Employee commuting Waste disposal Use of sold products Transportation and distribution (up- and downstream) Investments Leased assets and franchises

Tier 3: Supplier specific data submitted by suppliers

Tier 2: Average data method

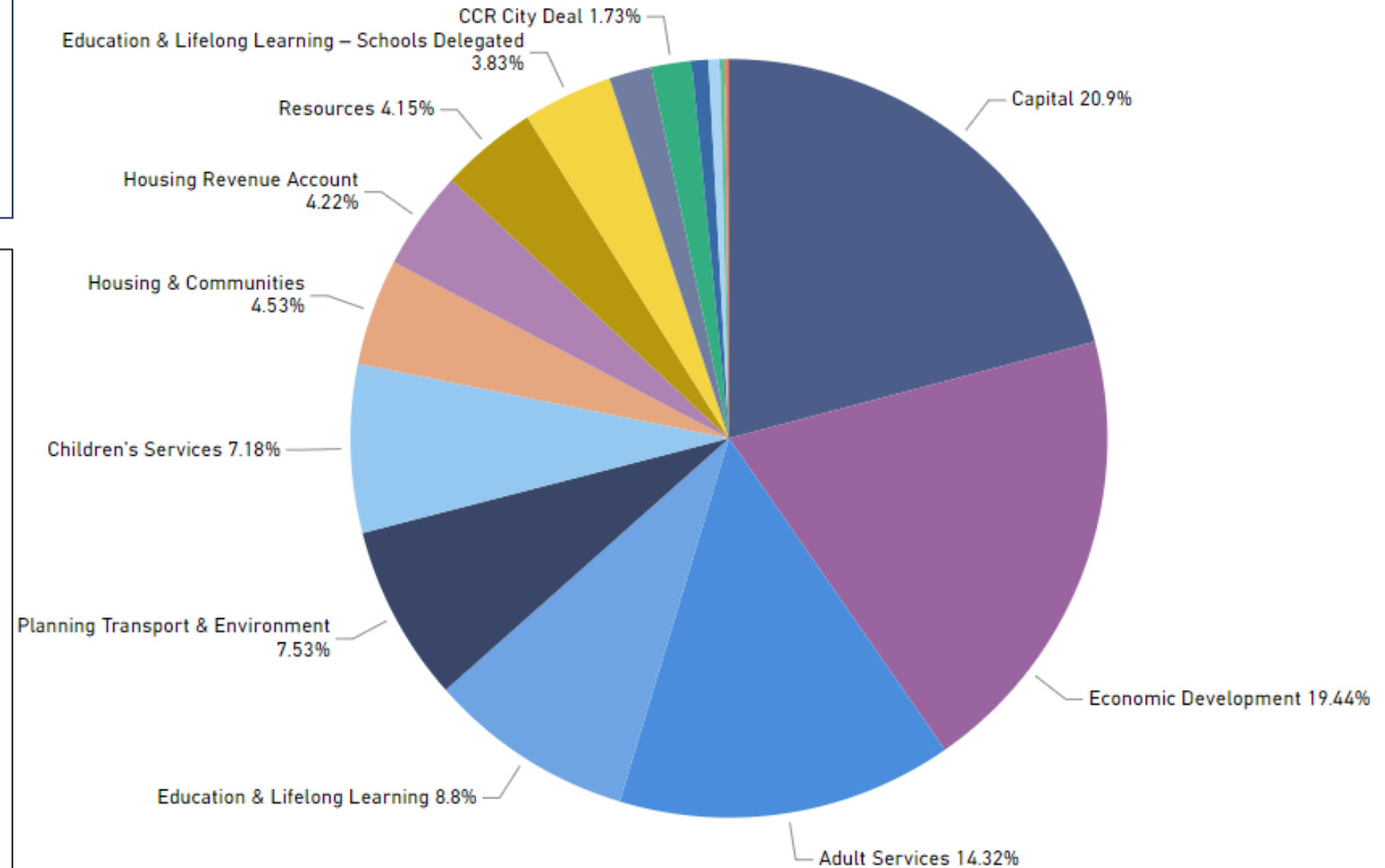
Tier 1: Spend-based data

Continue to investigate opportunities to include Tier 2 and 3 data

Rollout PowerBI reporting to Directorates and Services

Agree Engagement approach with Directorates and Services

Investigate opportunities to co-ordinate Carbon Literacy / Behavioural change training



Embed Carbon Reduction in Procurement Cycle



Early Market Engagement	Procurement Route / Structure / Lots	Specification / Requirements	Terms & Conditions	Selection Criteria	Method Statements	Award Criteria	Welsh TOMs Social Value Framework	Performance Measures / KPIs
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Understand the market – new emerging technologies, products or solutions

Challenge technical specifications to require lower CO2e solutions

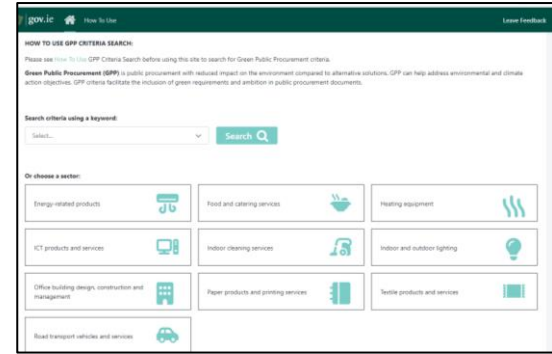
Ensure bidders committed to Net Zero by 2050 Carbon Reduction Plans

Ensure award criteria incentivises bidders to submit carbon reduction approaches

Ensure commitments are delivered and include performance measures / KPIs which require reporting on CO2e



[Local Authority Sustainable Procurement Toolkit - WLGA](#)



[GPPCriteriaSearch](#)



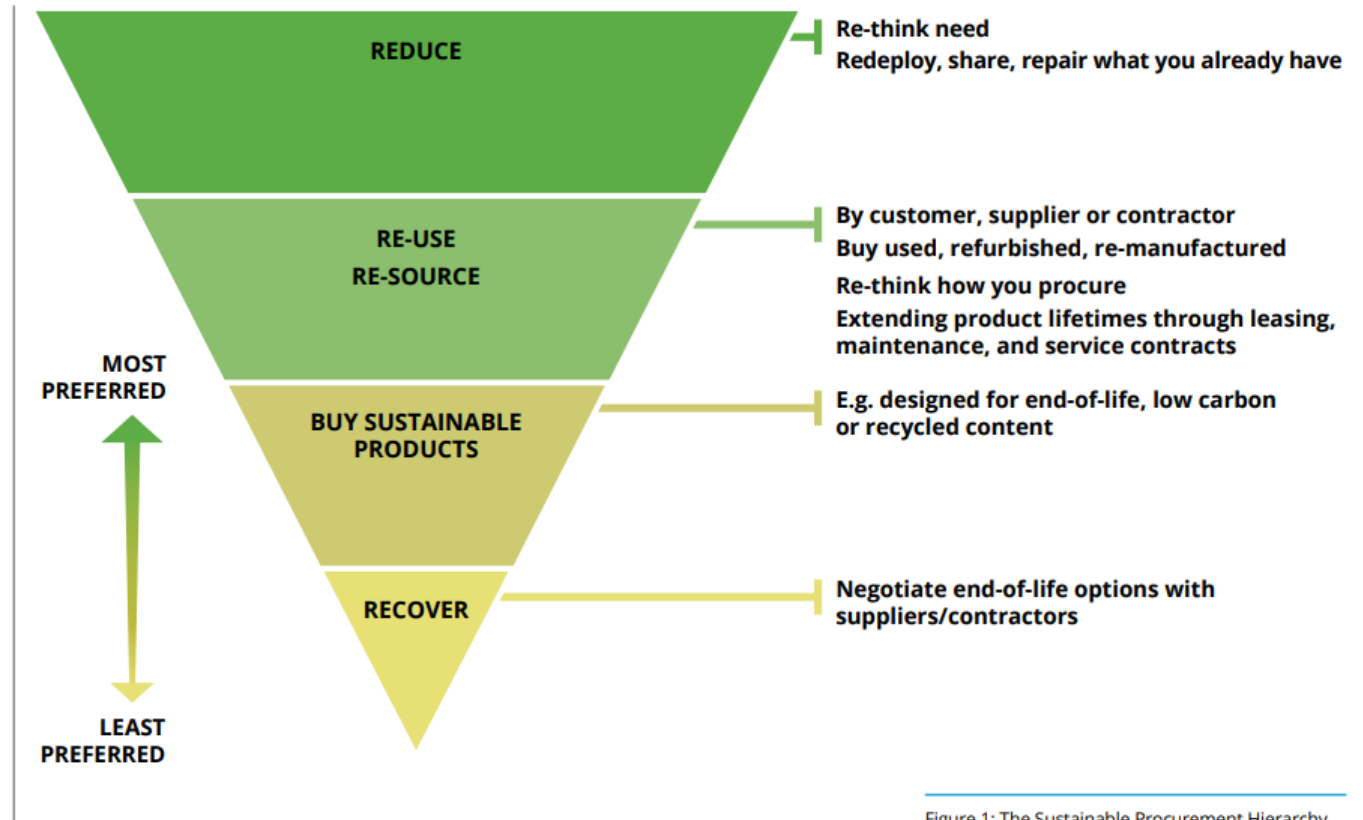
Socially Responsible Procurement

Part A - Selection Criteria – used to determine suitability of bidder to deliver contract.

Part B - Technical Specification – included within specification.

Part C - Method Statement (Scored Award Criteria) – included in the quality section of the tender and evaluated. The weighting will be proportionate to the sustainability impact on the contract.

[402] Carbon Reduction Plan - Please confirm that your organisation is taking steps to reduce your GHG emissions over time and is publicly committed to achieving Net Zero by 2050.



- 2021 - Sustainable Procurement Maturity Review
 - Policy & Strategy
 - Leadership & Culture
 - Capabilities
 - Process
 - Supply Chain
 - Measuring & Reporting
- 2022 – Carbon Reduction Plan Review of ‘Top 30’ Suppliers
- 2023 - Pilot project support



- **CEIC** Programme and wider Research
- **Bristol Council** – sharing learning ideas
- **Welsh Government** – Decarbonisation and Circularity Group
- **2023 - Cwmpas Survey / Report**
 - Aimed at Social Enterprises, Third Sector and SMEs
 - Cardiff, Monmouthshire, Torfaen and Bridgend
 - Experience of Public Sector Procurement
 - Understanding preparedness for Net Zero and support required
 - Looking to work with partners to establish a carbon reduction market development and engagement programme



CO₂ PERFORMANCE LADDER



Pilot use of Local Authority Sustainable Procurement Tool (Cardiff and Powys)

Continuing to share practice through WLGA National Procurement Network and Regional Groups

To reduce carbon we need to, improve our understanding the CO2e level and the Council's **ability to influence carbon reduction**. Key questions include:

- To what extent does the Council understand the factors generating CO2e?
- To what extent can the Council address factors by changing requirements?
- To what extent can the changes be met within the existing budget?
- To what extent can the supply market respond to changing requirements?

- Measuring beyond Tier 1
- Developing our knowledge – delivering with limited capacity
- Co-ordinating and joining up activity across Welsh Public Sector – too much duplication
- Changing culture / ownership within our Directorates / Services
- Ability of our supply markets to respond
- Financing lower carbon options whilst market develops
- Awarding based on whole life costs and whole life carbon impacts

Thank you for
listening

Any questions?