

SUSTAINABLE PLANNING, PROCUREMENT & COMMISSIONING

The Role of Public Health is to take a whole system approach to all stages of planning, commissioning and procurement. When allocating funding and when advising NHS and Local Authority organisations, environmental considerations need to be addressed as important parts of these processes



Commissioning Cycle. NHS England³

See also Resources **K9: NHS Carbon Footprint** and **A9: Towards a Net Zero Carbon NHS**¹

Sustainable commissioning: takes “a whole system approach to improving the health and wellbeing of the people it buys services for”.^{2 p4} A whole system approach takes account of environmental considerations (including Carbon Reduction targets), utilises local assets, and empowers local people and communities, resulting in wider benefits from the same investment. Sustainability and social value can be optimised in the commissioning cycle when it is a core aim, built into the process from the outset and embedded into all subsequent stages. Care Pathways that are environmentally sustainable also benefit health and well-being.²

Sustainable Procurement: entails planning ahead to manage demand, effective ongoing contract management and supply chain risks and impacts⁴. It means buying more sustainable and efficient products and engaging with suppliers to understand and reduce the impacts of their supply chains. This includes:

- embedding **Government Buying Standards** (GBS)⁵ in departmental and centralised procurement contracts, within the context of government’s overarching priorities of value for money and streamlining procurement processes
- **improving and publishing data on supply chain impacts**, focusing on carbon, water and waste, setting detailed baselines for reducing these impacts.



The Procurement for Carbon Reduction Roadmap(P4CR)⁶

Sustainable Planning: To meet UK net zero legal targets by 2050 and 2045 for Scotland⁷ commissioning organisations need to prepare and adopt sustainability policies and management frameworks that address their carbon emissions. Other sustainable planning issues to be included in organisations’ plans include resource consumption, resilience, social gains and ethical supply chains.

Resources: The Sustainable Development Unit provides useful tools and support materials to help NHS organisations buy more sustainably:

- **Procuring for Carbon Reduction toolkit:** identify and understand carbon reduction opportunities⁶.
- Guidance on how to implement the **Flexible Framework for Sustainable Procurement**⁸.
- **Minimum environmental product specifications:** The Government Buying Standards for commonly purchased goods and services⁵.
- **Benefit measurement tools** such as the Social Value Calculator which helps price the value created by sustainable procurement⁹.
- Sustainable procurement objectives should be articulated in the organisation’s overall **Sustainable Development Management Plan (SDMP)**¹⁰.

Policy Context

Planning, commissioning and procurement is becoming more sustainable not just because it is the right thing to do, but because national guidance is becoming more explicit about the importance of resource efficiency and taking account of environmental well-being: -

1 NHS Delivering a 'Net Zero' National Health Service (2020) commits the NHS to tackle climate change by reducing emissions to 'net zero' and aims to be the world's first 'net zero' national health service.¹¹

2 The NHS Long Term Plan (2019) sets out to move away from a system that prioritises treatment, to one that can also predict and prevent poor health¹²

3 The Public Services (Social Value) Act 2012 (England & Wales): requires public authorities to “*have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes*”¹³

4 The Procurement Reform (Scotland) Act 2014: includes a sustainable procurement duty for contracting authorities. Before carrying out a regulated procurement, authorities need to consider how in conducting the procurement process they can:

- (i) improve the economic, social, and environmental wellbeing of the authority's area,
- (ii) facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process
- (iii) promote innovation, and

(b) in carrying out the procurement, to act with a view to securing such improvements identified as a result of paragraph (a)(i).¹⁴

5 Local Government Association's (LGA's) commitment “*Across the country, councils are taking urgent actions in their local areas with partners and their local communities to combat the negative impacts of climate change and to deliver net zero carbon by 2050. The aim of the LGA's climate change support programme is to enable councils and residents to reach their local carbon reduction targets by adapting and mitigating the effects of climate change.*”¹⁵

Case Study: The East Midlands NHS Carbon Reduction Project



One of 6 pilot projects in the The East Midlands NHS Carbon Reduction Project was the Sustainable Procurement training pilot.¹⁶ £3,564 was invested to investigate ways of reducing unnecessary procurement and procuring a greater proportion of sustainable goods and services by providing practical hands-on training, jointly for NHS procurement and finance staff.

Promoting more sustainable procurement practices generated a reduction in unnecessary procurement, re-use of products and low carbon purchasing. This helped the NHS to reduce unnecessary costs, minimise its contribution to climate change and improve the health and wellbeing of society. In specific local contracts the interventions have obvious health and wellbeing benefits, for example:

- a new approach to an incontinence products contract that enabled patients to manage their own orders, helped users to have a greater sense of control of their treatment and enhance their wellbeing. Reducing the number of deliveries to minimise the carbon impact from fuel could significantly contribute to easing local congestion and improving air quality and the local environment.
- Using the *Social Cost of Carbon* approach, it was calculated that the carbon savings from the planned interventions as a result of this pilot would mitigate social damage to the magnitude of £21,001.
- The financial savings estimated from the procurement pilot were £1.35m pa (estimated at de-minimus 5% savings on contracts supported)
- The carbon savings estimated were 938 tonnes pa (estimated at de-minimus 5% savings on contracts supported).¹⁶

The NHS Supply Chain Sustainability Corporate Statement:

“NHS Supply Chain’s route to market delivers not only cash releasing savings but wider sustainability benefits for NHS customers. As an organisation linked to the NHS and to public health, we are committed to ensure the most environmentally and cost-efficient services across the supply chain. Our aim is to support our customers by realising opportunities for sustainable development through sustainable operations and sustainable procurement to ultimately deliver sustainable value. We are driving our activities to:

- *Reduce waste, saving money and minimising environmental impacts.*
- *Improve delivery efficiencies, ensuring continuity of supply.*
- *Procure and operate responsibly and ethically.*
- *Build supply chain resilience.”*¹⁷

References

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Professional Development Questions

1. What guidance would you use to commission public health services in your organisation?
2. What are the implications for Climate Change of one of the commissioned services in your organisation?
3. What guidance would you use when procuring goods and services?
4. What are the implications of the decisions made for three products purchased in your Department for Sustainable Development and Climate change and what steps would you take to improve the environmental outcomes?
5. What is a “whole system approach” to commissioning and what examples are you aware of?