



Stop Climate Chaos Scotland

Briefing on the Procurement Reform Bill

April 2013

Introduction

Stop Climate Chaos Scotland (SCCS), a diverse coalition of organisations, welcomes the opportunity to brief MSPs for the Parliamentary debate on the forthcoming Procurement Reform Bill.

Background

There was a commitment in the SNP's 2011 Scottish Parliamentary election manifesto to bring forward a Sustainable Procurement Bill. Stop Climate Chaos Scotland is concerned that the initial intention behind this Bill, to achieve more sustainable procurement, has been lost in what has now become the Procurement Reform Bill. We [responded](#) to the Scottish Government consultation on this Bill, expressing our concerns as summarised in this briefing paper.

Key points

- The Procurement Reform Bill is a key opportunity for Scotland to deliver on climate change targets and signal a clear shift towards a low carbon economy.
- Sustainable procurement is one of three mechanisms identified in Scottish Government's draft plans for meeting climate targets – the RPP2 – to deliver a 'complete transformation' in the way public bodies work.
- This Bill must clearly set a strategic intention and purpose of government to procure all its products, materials and services sustainably.
- The Bill must provide a legal framework to facilitate and achieve the transition towards sustainable procurement, with clarity on how environmental benefits will be safeguarded.
- The Bill must give proper importance to environmental benefits alongside social and economic benefits.
- Sustainable procurement requires an integrated approach from the start of the procurement process.

The need to focus on sustainability in the Bill

The Procurement Reform Bill presents a key opportunity for Scotland to deliver on its commitments on sustainability, climate justice and as a Fair Trade nation, while providing opportunities and benefits to local businesses where appropriate. It could help deliver significant greenhouse gas emissions reductions in Scotland, contributing towards emissions targets set in the Climate Change (Scotland) Act 2009.

There is already good practice on sustainable procurement in parts of government, the public and private sectors, but it is not universal, strategic nor co-ordinated. The aim of this Bill must be an ambitious transition to sustainable government and public procurement in Scotland promoting, requiring and facilitating best practice and action, and encouraging others to the same outcomes.

The Bill must place a legal duty on all ministers and their departments and all public bodies to effect sustainable procurement. There is already a three part duty on all public bodies set under the Scottish Climate Change Act, requiring them to act: i) in the way best calculated to contribute to the delivery of the Act's emissions reduction targets; ii) in the way best calculated to help deliver any statutory adaptation programme; and iii) in a way that it considers is most sustainable. The Procurement Reform Bill must complement the public bodies duties under the Scottish Climate Change Act by including a sustainability duty and the creation of additional facilitation, baseline and progress reporting functions towards sustainable procurement.

Reporting

The Procurement Reform Bill and subsequent guidance must go beyond the direction set in existing guidance for procurers, which has not yet resulted in a process which makes sustainable procurement the norm. This could be achieved by requiring annual reporting on the duties in the Act, including the sustainability duty.

All procurement activity will promote or improve one or all of economic, social, health and environmental well-being. Therefore it will be important that information required of procurers in this regard is evaluated and will influence the procurement process. In order to encourage a move away from procurers automatically pursuing the cheapest option available, value must be attributed to social and environmental benefits.

Linking the Bill with commitments under the Scottish Climate Change Act

In the Government's new draft plans (known as RPP2) for meeting Scotland's commitments set in the Scottish Climate Change Act, *considerable* greenhouse gas emissions reductions are attributed to the public sector, with an ambition to achieve 'a complete transformation in the way Scottish public bodies work' by 2027¹. One of the three ways identified in the draft plan to achieve this 'complete transformation' is through sustainable procurement processes. It is difficult to see how that can be achieved without a strong emphasis on reducing emissions and sustainability within this key piece of legislation.

This need for the Bill to focus on sustainability was highlighted by the Parliament's Local Government and Regeneration Committee, in their report on RPP2, which said: "We recommend that the opportunity be taken within the forthcoming Procurement Bill to give procuring authorities as much scope as is possible within EU requirements to take into account environmental and climate change considerations when awarding contracts. In the absence of proposals or policies relating to sustainable public procurement within the RPP2, and in light of the public duty requirements of the Climate Change Act, there is a case for the climate change objectives to be a significant element of the Procurement Reform Bill"².

The Minister for Housing and Welfare confirmed continued commitment to social and environmental sustainability in a recent session with the Infrastructure and Capital Investment Committee: "I do not think that the bill's title matters; what is more important is the intention behind it, which is clearly to provide a legislative framework for procurement decisions that supports the greater use of clauses on social and environmental sustainability. That is what we are committed to and the change in title does not reflect any change in policy". This confirmation was welcomed by that Committee which "welcomes this clarification and confirmation that sustainability issues will still be a focus of the procurement bill."³

Collective concerns voiced by civil society

Given the far-reaching implications of this Bill, Stop Climate Chaos has joined with other large civil society coalitions in Scotland – Scottish Council for Voluntary Organisations (SCVO), Scottish Trades Union Congress (STUC), Scottish Fair Trade Forum and Enough Food for Everyone IF - to highlight our joint concerns about the direction the proposed Bill is taking and to call for social, environmental and ethical objectives issues to be at the heart of this important piece of legislation⁴.

For more information please contact:

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Stop Climate Chaos Scotland (SCCS) is a coalition of organisations campaigning on climate change, including environment, faith and development organisations, trade and student unions and community groups.

Stop Climate Chaos Scotland is a charity, registered in Scotland

¹ P103 of RPP2: <http://www.scotland.gov.uk/Resource/0041/00413150.pdf>

² P5 of LGR Committee report on draft RPP2: <http://bit.ly/108ecDS>

³ P52 of ICI Committee report on draft RPP2: <http://bit.ly/17iQTeK>

⁴ <http://www.stopclimatechaos.org/news/2013/03/25/letter-editor-scottish-procurement-reform-bill>