

Supplier Sustainability Charter

Realising Essex's potential through our suppliers

May 2023

Introduction

Sustainability in its broadest sense is about fulfilling the needs of the current generations without compromising the needs of future generations, all whilst maintaining a balance between economic growth, environmental care and social well-being.

Essex County Council (ECC) is committed to delivering its Everyone's Essex Strategy and the Levelling up Agenda which have sustainability at their core. With c.£1.2bn per annum being spent with third parties, our suppliers play a critical role in helping us to achieve this.

This document is aimed at current and potential suppliers. Whilst not a legal document, its purpose is to highlight expectations of our suppliers in helping us deliver a sustainable Essex.

What is covered in this document

This document will look at our expectations from our suppliers in relation to:

- Ethical Procurement
- Prevent Duty
- Social Value
- Environment
- Small Medium Enterprises

Ethical Procurement

Ethical procurement is undertaken to ensure supply chain practices are free from corruption, fraud, modern day slavery, human trafficking, and wider issues such as child labour.

Modern Slavery is a heinous and often hidden crime, and the impact can be devastating for the victims. Essex County Council recognises its responsibility to take a robust approach to modern slavery and human trafficking and expects its suppliers to do the same. This includes the following actions:

- ECC will review its Modern Slavery Statement annually and register the statement on the government website.
- All procurement team members will update their modern slavery knowledge with training annually. This will raise awareness, help them to identify issues and ensure that suspected instances of modern slavery are handled correctly.
- We will identify the risk of modern slavery before we publish a tender, to establish if modern slavery can be factored into the specification, ensuring that this does not create a burden for SMEs/VCSEs.

- To comply with the Modern Slavery Act 2015 we have:
 - updated our professional and technical ability tender questions within the
 procurement sourcing process. The questions require a bidder to evidence their
 compliance with the Modern Slavery Act if they are a relevant commercial
 organisation as defined by Section 54 of the Modern Slavery Act 2015. Any bidder
 who fails to evidence their compliance with the required legislation shall be excluded
 from participating further in the tender process
 - incorporated within our standard contract terms clauses that specify the supplier's contractual obligation concerning modern slavery
 - any supplier engaged by us to undertake the supply of goods and or services is contracted to do so in line with our safeguarding, equality and diversity code of conduct, and whistleblowing policies

We expect our suppliers to:

- Provide training to appropriate employees which covers the risk, identification and reporting of any instances of modern slavery
- To work with their supply chains to identify and reduce the risk of modern slavery

Procurement fraud is a complex problem. It can be difficult to detect and covers a wide range of illegal activities from all stages of the procurement lifecycle from bid rigging during the pre-contract award phase through to false invoicing in the post-contract award phase. It can be perpetrated by those inside and outside an organisation. Focus needs to change from detection to prevention ensuring that ECC funding is used to provide services to our Essex community and are used for their intended purpose.

Essex County Council acknowledges that no Authority is immune from the risk of fraud or bribery. Absolute honesty and integrity should be exercised when dealing with suppliers. ECC takes a robust approach to procurement fraud and aims to instil an anti-fraud culture and demonstrate a zero-tolerance approach. We will do this by:

- Completing a risk assessment of all aspects of the procurement lifecycle with mitigating actions wherever possible
- Identification of procurement fraud "red flags"
- Providing training relevant to those involved in procurement processes, in terms of how to run and manage the process and procurement fraud awareness and reporting and procurement staff will update their fraud training annually
- Undertaking an annual review of Procurement Fraud and update as appropriate

We expect our suppliers to support this culture and to:

- Work with ECC with honesty and integrity
- Provide appropriate training and support to those people involved in submitting tenders as to correct process and procedure and how to escalate problems and issues.
- Provide training to appropriate employees which covers the risk, identification and reporting of any instances of procurement fraud

Prevent Duty

Prevent is about safeguarding individuals from being drawn into terrorism, ensuring those susceptible to extremist and terrorist narratives are given appropriate advice and support at an early stage.

Essex County Council recognises its role to participate fully in working to prevent people from being drawn into terrorism, this includes:

- Ensuring appropriate training for employees
- Promoting the importance of the duty to suppliers

We expect our suppliers to:

- Be mindful of the principles of the duty
- Provide training to all appropriate frontline staff ensuring that they have a good understanding of Prevent, are able to recognise the signs that someone may be being drawn into terrorism and are aware of available programmes to deal with this issue

Social Value

Social Value became part of public procurement through the Public Services (Social Value) Act 2012. It requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract and consider how procured services might improve the economic, social, and environmental well-being of an area. We are delivering this commitment by:

- Considering social value in all tenders over £100,000 as part of the quality element of evaluation, up to the value of 20%
- Providing resources for suppliers to support them to get involved with social value via the Social Value Catalogue <u>Social Value Catalogue | Provider Hub | Essex (essexproviderhub.org)</u> which provides case studies, guidance and links to further support

We expect our suppliers to:

- Consider all potential aspects of social value that could be delivered through the contract at the tender stage – recognising that small changes can have a big impact
- Deliver against their contractual commitments relating to social value
- Promote social value throughout their supply chains

Environment

Essex County Council is committed to being Net Zero by 2030 and our services must be contributing to the reduction of our carbon footprint and emissions whilst maintaining and improving their core service deliverables. By 2050 the target is that Essex, as a whole county, is net zero. We expect our suppliers to be working towards ensuring that their individual businesses and services are net zero in line with Government expectations.

Our key objectives are:

- To reduce the carbon footprint by 50 per cent by 2030 across procured goods, services and capital goods, and to be fully net zero by 2050.
- Achieve net zero emissions from transport across procured goods, services and capital goods by 2040
- To reduce the use of fossil-fuel derived energy by 25 per cent by 2030
- 30 per cent of all land in our suppliers' estates will enhance biodiversity and the natural environment by creating natural green infrastructure such as rain gardens, green roofs and planting trees
- All new homes and all new commercial buildings granted planning permissions to be carbon zero by 2025
- Ensure that 65 per cent of waste generated by the suppliers is recycled by 2035, and all food waste is recycled or put to beneficial use by 2025.
- To reduce per head per day water usage by 20% by 2038. Reducing demand on water through methods such as smart metering, reducing leakage, water efficient devices and rain/grey water recycling.

Specifically, when buying goods and services:

- From September 2021 climate measures have been included as part of the social value criteria
- From April 2022 ECC has baselined its supply chain greenhouse gas emissions
- From November 2022 all tenders over £100,000 have considered the inclusion of climate.
 Options may include carbon reduction plans (in line with central government guidance under PPN06/21), carbon calculators or weighted specific climate questions
- By April 2023 all key carbon emitting categories (Passenger Transport, Highways, Waste, Nursing & Residential Care, Homecare Services and FM & Property) will have a procurement carbon transition plan
- By April 2025 all tenders over £100,000 will include climate requirements as part of the tender evaluation
- To ensure 60 per cent of all suppliers to ECC have a carbon reduction plan across their business by 2025, and 100 per cent have a plan in place by 2030. This plan will include an organisational and/or contract specific carbon footprint and action plan to reduce emissions.
- To ensure 50 per cent of our strategic suppliers' employees are carbon literacy trained by 2025, and 100 per cent are trained by 2030

We expect our suppliers to:

- Support our climate action through procurement ambitions
- Work with their supply chains to enhance measurement, understanding and resulting climate actions

Small Medium Enterprises

Small or medium-sized enterprises (SMEs) are key to growing our local economy, supporting local employment, and delivering many more benefits that make Essex a great place to live and work.

Essex County Council is working to demystify public sector procurement and make it as accessible to SMEs as possible including:

• Simplifying our tender processes for spend requirements under £100,000

- Improving engagement with SMEs, ensuring that they know about opportunities to supply ECC and that sufficient time is available for them to bid
- Producing guidance to help navigate public sector procurement
- Encouraging internal services to invite more local SMEs to compete in under regulation spend

We expect:

• That our larger suppliers will work to engage local SMEs in their own supply chains to simplify processes and encourage participation in tenders.

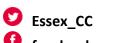


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