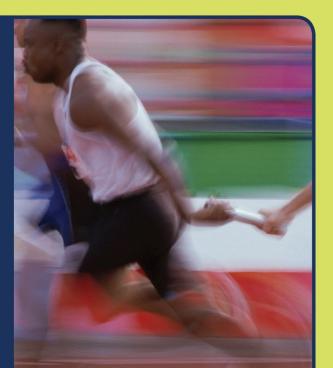


Procurement and the circular economy

Tim Luckett Project Manager September 2014





Our vision is a world in which resources are used sustainably.

Our mission is to accelerate the move to a sustainable resource-efficient economy through re-inventing how we design, produce and sell products, re-thinking how we use and consume products, and re-defining what is possible through recycling and re-use.

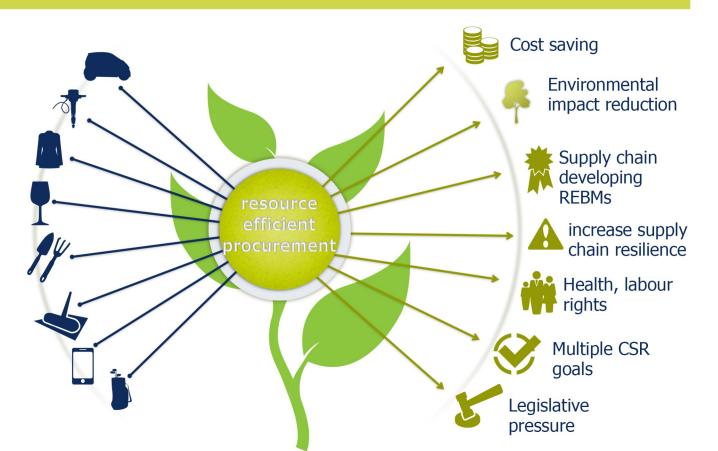


Valuing products differently and creating a more robust economy in the process:

- Design
- Make
- Sell
- Reuse products
- Recycle

Maximise value during use and at end of life

Sustainable procurement benefits



MUGD

Hierarchy of actions for procurement

Specifications for:

- durability
- re-usability
- used products
- lower in-use impacts

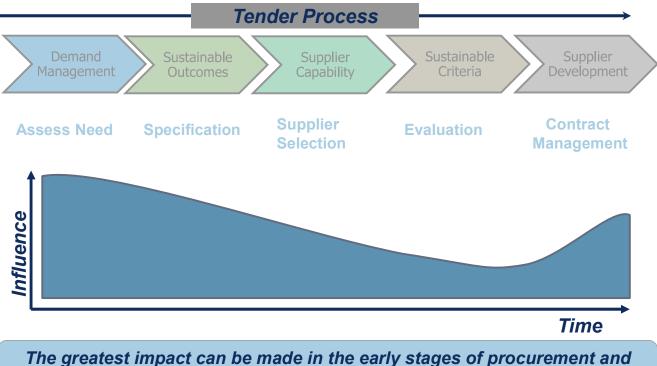
MIGD

- lower production impacts, e.g. materials content
- minimize hazardous chemicals

Hierarchy of actions to use assets and resources more efficiently







MIGD

commissioning. Note the opportunities during the life of the contract too.

Adapted from Forum for the Future



Uncovering hidden contract costs

Cost of buying asset/product

Cost of running

Cost of maintenance

Cost of disposal Exposure to supply chain price volatility

Cost of reputational/ operational risk

Environmental cost

Margins less certain

WIGP

Role of specifications

Technical:

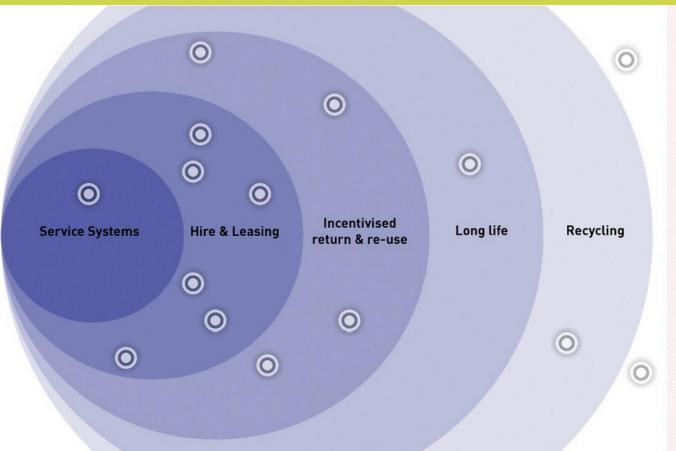
- +
- Need to be a technical expert
- Detailed explanation of requirements
- Tell the market precisely what you want
- Get precisely what you specify

- Risk is you get it wrong
- Easy to evaluate
- Little opportunity for innovation

Performance:

- Define performance parameters
 - e.g. office heating/cooling
- Great scope for variation
- Maximises innovation
- More difficult to evaluate
- Think carefully about bid evaluation

Resource efficient models



WIGP

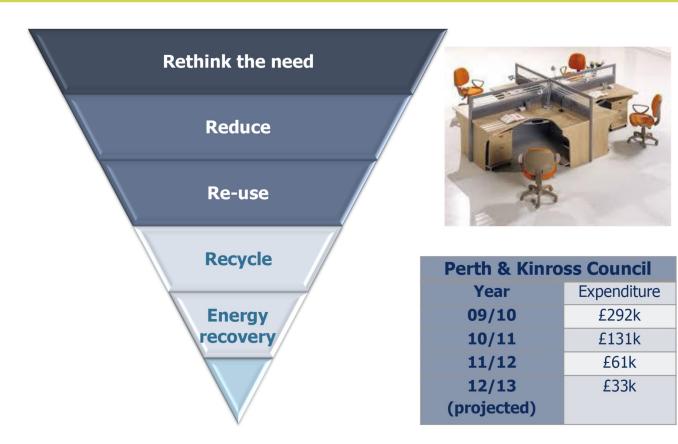
Managed services



MUGD



Furniture re-use



WIGP

Client benefit example

- Council restructure in 2010 led to office closures
- As a result, the authority had large quantities of good quality, unwanted furniture
- Re-use scheme delivers £45,000 cost savings in 9 months



Working together for a world without waste

Resource efficiency in facilities management

Office re-use scheme furnishes council with cost savings

Signing up to the WARPit re-use scheme saved Sunderland City Council £45,000 in nine months and diverted more than nine tonnes of material from landfill

Introduction

In 2010, Sunderland Orp Council underwent, a restructure that led to the closure of buildings across the city. As offices were warated, large quantities of office-waited resources like furniture, explorment and supplies became redundant. Rather than shell threas to landfill, the council signed up to the WARR re-use scheme, which log available resources. In just mine months, the new scheme resulted in over 245,000 of cost savings.

WARPIT is now operating council-wide and the offices and schools taking part have diverted 9.4 tornes from landfill and saved over 24 tornes of CD₂. Staff are easily able to access the online system through the intranet and are actively encouraged to use it for all their procurrement needs.

Background

Sunderland City Council operates a wide portoliki, managing in the region of 235 properties and employing 12,376 staff. The purchase of fumiture and paper is organised through a centralised procument division, but each department essentially manages its own affairs according to its needs.

Through WARPs, whenever a member of staff needs to buy an item of fumiture or office materials such as ink cartridges or files, fiber can go online to find out whether the item is available from a different department and then arrange collection from a centre storage facility.

Dianne Pattison, Policy Officer, Economy and Place, described how it came about: "In 2010, the restructure went council-wide. As

- Key facts
 Re-use of furniture and office resources resulted in cost savings of over £45,000 in one year
- 9.4 tornes of materials have been diverted from landfill
 The online system manages all
- The online system manages all aspects of duty of care and legal liability

a result, a number of sections were moved around or disbanded. A number of buildings became vacant and when I conducted site visits I found furniture that was due to be disposed of, including tables, chairs and all kinds of other items.

Pattison worked with WADPs developer Daniel O'Connor to adapt the existing system for the council's needs. In May 2011, the first plot began and by June the same year, the scheme was live across all council departments.

Diversity

Pattison said: "The exchange of items between departments is now common place;



Samilariand City Council stores asserted fundament office form, ready for store department to can

REBMs: local SME case study





Outcome Small stall at Looking to Borough expand to sell Market in in high-end London supermarkets Named as one of the 'Top 50 Radical Businesses' by The Guardian **Employment** opportunities



With the contribution of the LIFE financial instrument of the European Community

www.rebus.eu.com



WRAP support

- REBus
- Innovation in Waste Prevention Loan Fund
- Technical Procurement Support
 - Supporting 6 individual procurements
- Resources
 - Tools
 - Procurement wording
 - Case studies



Further information

Circular Economy - <u>http://www.wrap.org.uk/content/how-wrap-supports-circular-economy</u> Resource Efficient Procurement - <u>http://www.wrap.org.uk/content/sustainable-procurement</u> Resource Efficient Procurement case studies - <u>http://www.wrap.org.uk/fmcasestudies</u> REBus - <u>http://www.wrap.org.uk/content/rebus</u>

Tim Luckett

tim.luckett@wrap.org.uk Tel +44 1295 819941

www.wrap.org.uk