
Towards sustainable supply chains

The goal is to have tested and developed a robust working methodology that allows the establishment and adoption of procurement policy and practice that can deliver significant and quantifiable reductions in the Trust's Scope 3 greenhouse gas emissions (in line with the target of a 15% reduction in Scope 1, 2 and 3 emissions by 2015 and 34% by 2020).

A sustainable procurement policy for CUH will allow it to meet its needs for goods, services, works and utilities in ways that achieve value for money on a 'whole life' basis in terms of generating benefits not only to the Trust, but also to society and the economy, whilst minimising damage to the environment.

The Department of Health (DoH) estimates that carbon emissions associated with the extraction, processing, assembly, packaging, transport, storage and handling of products and materials that are consumed directly and indirectly by service providers, such as CUH, account for approximately 60% of the total NHS England carbon footprint.

As with most carbon reduction measures, this aspect of sustainability brings many other benefits (as shared value creation) that can be realised through how the NHS procures goods and services:

- reduced operating costs from procuring more efficient capital, equipment and infrastructure;
- an increased understanding of the supply chain, interactions and stages at which value is added – promoting opportunities for more productive relationships with suppliers and therefore increased supply chain security;
- potential to influence reductions in ecological harm associated with products and services at a local, national and international level;
- reputational benefits to individual organisations that take action and lead the way;
- long-term health benefits, which will lead to an overall reduction in demand for healthcare.

From this perspective, prioritising work with and through the procurement process to reduce the Trust's Scope 3 carbon emissions is essential to counter the upward trend of these upstream emissions and so meet its carbon reduction targets.

The introduction of effective sustainable procurement policy and processes is therefore central to the successful delivery of the Trust's SDMP. Without such measures, CUH will be failing to use the control it has over its own operations as well as its significant influence in the marketplace to drive down carbon emissions across the supply chains that service it and support the transition to a low carbon economy.

Sustainable procurement has however also proved itself to be a graveyard for good intentions. Procurement is a complex process that readily squeezes out social, environmental and longer term choices in securing contracts for the provision of goods and services. Much of this is down to short-term budgetary limitations, weak carbon disclosure in the supply chain and limited capacity to develop and take on new assessment criteria (especially where supporting evidence may be far from comparable, understandable, transparent or conclusive).

The extent of the carbon cost and footprint that the Trust acquires through its supply chain is, however, so great that, although this is a significant challenge, it must be tackled.

The DoH Sustainable Development Unit have published a comprehensive methodology entitled Procuring for Carbon Reduction (P4CR) that can helpfully assist the Trust's transition to a more sustainable procurement platform. The core approach is to move through a simple hierarchy of self-explanatory interventions:

- reduce demand
- Reduce 'in use emissions'
- Substitution and innovation
- Supply chain management

It proposes a 5 stage implementation process (from foundation, to embed, to practice, to enhance and finally, to lead) and includes average carbon intensity data for a wide range of products. This data can help identify and prioritise areas in need of most attention.

DoH have also identified four likely carbon hot-spots where a review of procurement activity has the potential to generate most impact in terms of carbon reduction. These are noted in the SDMP as: medical instruments and equipment, pharmaceuticals, food and paper. These divisions are too large as a whole and will be broken down to identify specific sub-divisions in order to develop and test a robust working methodology for sustainable procurement