

Scotland Excel

To: Executive Sub-Committee

On: 17 May 2024

**Report by:
Chief Executive of Scotland Excel**

Net Zero Strategy Update 2023/24

1. Summary

1.1 In March 2023, Scotland Excel's Executive Sub-Committee approved Scotland Excel's Net Zero Strategy 2023-2028. This Net Zero Strategy will be used to support Scotland Excel member councils in the delivery of their individual and collective net zero goals linked to Scottish Government 'climate emergency' policy and legislation.

1.2 The strategy has been developed to assist councils to implement their climate change policies and to help them deliver on their net zero commitments. Key themes addressed in the strategy include energy, the built environment, transport, waste, land use and forestry, resilience, agriculture, and governance.

The strategy outlines the following objectives:

- consider any new framework opportunities that can support members' net zero journey.
- to work collaboratively with suppliers, partners, and members to identify opportunities to reduce the carbon footprint of the existing contract portfolio.
- to implement actions from the net zero strategy, via a whole organisation approach, to support council members' net zero journey.
- to ensure the Scotland Excel contract portfolio remains crucial in assisting councils and others in meeting regulatory requirements.
- to lead by example by exploring the reduction of carbon impacts of business activities and ensure that contract arrangements continue to meet the needs of member councils.

1.3 The Strategy is supported with a detailed delivery plan with objectives to deliver on short and medium term (2023-2025) and longer term (2025-2028) net zero related priorities.

2. Background

2.1 Scotland Excel has set up an internal Net Zero Working Group delivery team that meets monthly and the role of the group is to identify and deliver actions identified in the strategy. Encompassing a 'whole organisation' approach, the group includes representation from various Scotland Excel teams. Objectives

have been agreed at a senior management level, and subsequently approved by Executive Sub-Committee in March 2023.

- 2.2 This Net Zero Working Group's focus is to champion progress and deliver those actions to ensure objectives detailed within the Scotland Excel Net Zero Strategy are achieved.
- 2.3 A progress tracker is managed to track Scotland Excel's activity against the Net Zero Strategy Objectives. A commitment of the strategy is that a progress report is produced at the end of each financial year and submitted to Executive Sub-Committee meetings for noting.
- 2.4 Appendix 1 sets out the short-medium term objectives and activities identified within the strategy. The aim of these short terms objectives was for completion between 2023 and 2025 and Appendix 1 outlines the progress made to date. It should be noted that most of these objectives and activities are of an ongoing nature with iterative continuous improvements being made.
- 2.5 This report summarises the progress made to date against Net Zero Objectives commitments in Appendix 1.

3. Recommendations

- 3.1 The members of the Executive Sub-Committee are invited to note Scotland Excel's progress in delivering the objectives contained within the Net Zero Strategy for 2023-24.

Appendix 1

Net Zero Strategy 2023 – 2024 Progress Report

Short-Medium Term Objectives (2023-2025)				
<p>1. Establish proven and robust methods of ensuring that tender exercises across the entire portfolio maximise positive impacts regarding carbon reduction, whilst ensuring that goods and services supplied are relevant and appropriate in supporting individual councils' pursuit in delivering net zero targets whilst continuing to offer quality, choice and best value.</p> <p>Develop and introduce standardised contract and supplier management actions that support carbon reduction and innovation, as well as continue to work with user intelligence groups in identifying, encouraging and developing additional collaborative opportunities, whilst ensuring that already available and relevant options are fully signposted and encouraged.</p>				
Activity	Target Commencement Date	Target Completion Date	Progress Updates	Impact
1.1. Ensure new contract opportunities (including renewals) are designed to maximise positive impacts regarding carbon reduction.	Commence- April 2023	March 2025 -	<p>Revised suite of standard operating procedures and templates under development.</p> <p>This improvement work will continue through 2024 and will embed changes reflected of the revised Sustainable Procurement Policy.</p> <p>New legal advisory panel will enable innovative practices with appropriate risk mitigation from early in contract development.</p> <p>Partnership with SSN (Sustainable Scotland Network) and the Scottish Government Procurement Policy team on defining carbon reduction opportunities.</p>	<p>Deploying a standardised approach ensures each procurement exercise is assessed for Net Zero opportunities.</p> <p>Potential for new practices to be embed without exposing members to increased compliance risks.</p> <p>Sharing on national policy, good practice and expertise in an emergent sphere ensures opportunities are maximised.</p>

<p>1.2. Ensure new contract opportunities (including renewals) are designed to include products and services relevant and appropriate in supporting councils' pursuit of net zero targets aligned to quality, choice and best value considerations.</p>	<p>Commence- April 2023</p>	<p>March 2025</p>	<p>Several frameworks redesigned to respond to this commitment:</p> <p>Catering Sundries – introduced a lot for Catering Recyclables (previously Catering Disposables). Bidders required to set out support to improve reuse and recycling opportunities.</p> <p>Fresh Fruit and Vegetables - tender restructured to encourage increased participation from local suppliers to assist councils to reduce food miles on fresh produce.</p> <p>Education and Office furniture – exploring introduction of a new lot for furniture reuse/refurbishment.</p> <p>Across the portfolio measures to reduce deliveries and associated fuel consumption: introduction of minimum order levels, reduced number of delivery days, increased quantities in packs (no splitting).</p>	<p>The examples provided here demonstrate some of the measures already in place which contribute to the delivery of this action. This will be developed and expanded as new contracts are added to the portfolio.</p>
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<p>1.3. Review contract management activities to ensure inclusion of relevant contract and supplier management activities in supporting carbon reduction and associated innovation.</p>	<p>Commence- April 2023</p>	<p>Complete- July 2023</p> <p>(Action outstanding)</p>	<p>Established a Scotland Excel 'Net Zero Group'- group remit includes developing recommendations for change.</p> <p>Cross category working on Net Zero to ensure improvements are applied to full portfolio</p> <p>Revised Sustainability Procurement Policy is in draft, articulating the impact of the Net Zero strategy on all procurement work (subject to Executive Sub Committee approval).</p> <p>Delivering sustainability through social care contracts can present affordability issues. Targeted tender documentation relating to sustainability is under development.</p> <p>There key supplier management carbon saving initiatives in food frameworks can be evidenced – leading to recommended changes in delivery scheduling.</p>	<p>Changes to contract and supplier management activities are ongoing. Planned improvements will be embedded through Workforce Planning changes.</p> <p>Links to compliance, clarity on Scotland Excel policy supports any changes to tendering processes.</p> <p>Introduction of revised method statements, targeting net zero initiatives.</p> <p>Carbon and financial savings.</p>
<p>1.4. Liaise with user intelligence groups to ensure requirements are captured, additional needs are identified, and contract opportunities are designed to align.</p>	<p>Commence- April 2023</p>	<p>March 2025</p>	<p>Working with SSN and Scottish Government Climate Group to identify and maximise opportunities for carbon reduction.</p> <p>Scottish Local Government Procurement Forum (SLGPF) - standing agenda item at SLGPF to discuss and share best practice.</p> <p>Social care - work underway to identify council sustainability officers to gather views on reporting requirements for social care providers.</p>	<p>This network provides access to expertise and intelligence.</p> <p>Joint working with local authority procurement managers to design change.</p> <p>Greater sustainability of care providers.</p>

<p>1.5. Review current contract portfolio with an aim of identifying and signposting to users' options already available that could support net zero ambitions or linked activities.</p>	<p>Commence- April 2023</p>	<p>Complete- July 2023</p>	<p>Segmentation approach devised to prioritise Net Zero where appropriate.</p> <p>New development priorities shared with Sustainable Procurement and Scottish Government colleagues to inform priority list.</p>	<p>New segmentation tools to be applied to each procurement exercise ensuring those frameworks with greatest impact are prioritised.</p>
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<p>2. Update Scotland Excel's Sustainable Procurement Policy reflecting embedded practices. Review internal governance and ensure a formalised internal governance process that facilitates due focus on net zero considerations within tendering activity. Maintain ongoing and active participation in applicable cross sector groups with a view to being aware of and where appropriate, influencing policy and associated impacts it may have. Implementation of standardised and where applicable, more bespoke minimum net zero related tender requirements across the contract portfolio linked to recent changes to SPD documents, supporting a greater level of focus on carbon reduction and embed within governance process including Contract Steering Group scrutiny.</p>				
2.1. Review and update Scotland Excel's Sustainable Procurement Policy.	Commence- April 2023	Complete- July 2023 (Action outstanding)	Revised Sustainability Procurement Policy is in draft, articulating the impact of the Net Zero strategy on all procurement work (subject to Executive Sub Committee approval).	The current policy (dated 2018) focuses on net zero and social/community wealth building, community benefits, inclusion of SMEs/third sector/supported businesses. The revision will align the policy to the Net Zero Strategy approved in 2023.
2.2. Review internal governance and amend to ensure an appropriate level of focus of net zero considerations within tendering activity.	Commence- April 2023	Complete- July 2023	Work has been completed on segmenting the current Scotland Excel framework portfolio. This clearly identifies frameworks that have potential to contribute to net zero targets.	Frameworks identified through the Segmentation approach will be developed with the particular focus on Net Zero products or services that can reduce carbon.
2.3. Influence policy via participation in relevant cross sector groups.	Commence- April 2023	March 2025	Scotland Excel is represented in the cross sectoral Climate and Procurement forums chaired by Scottish Government.	The Climate and Procurement forum provides opportunity and a platform for the Centres of Expertise including Scotland Excel to share best practice, monitor progress on net zero activities within procurement and to champion carbon reduction action and focus across the wider public sector.

3. Measure, record and report our own carbon footprint impact linked to business activities, with an aim to reducing this via actions that may include refreshed and formalised policies on home working, virtual and in-person meetings, office space and resource use, and staff travel arrangements.				
3.1. Explore feasibility of measuring, recording and reporting Scotland Excel's carbon footprint linked to business activities.	Commence- April 2023	Complete- July 2023	Internal planning to manage carbon measurement metrics of business activities.	Initial work confirms Scotland Excel's direct impact is low, and decreasing due to current and emerging work practices.
3.2. Identify and implement means to reduce Scotland Excel's carbon footprint/positively impact linked to business activities.	Commence- July 2023	Complete- October 2023	Introduction of QR codes for promotional materials to replace paper marketing tools and reduce unnecessary landfill waste and carbon footprint. Travel and connected carbon footprint has reduced through the use of remote working.	Reduced carbon footprint.
3.3. Review, amend and/or introduce relevant internal policies linked to positive carbon related actions and business practices.	Commence- October 2023	Complete- January 2024	Scotland Excel reviews workplace policies on a cyclical basis. Carbon footprint considerations are included in updates where appropriate.	Ongoing reducing in the impact of Scotland Excel's workforce on the environment.

4. Deliver targeted and regularly refreshed training internally and externally, ensuring appropriate staff across the sector are fully aware of compliant options that can be utilised during the procurement process and lifetime of a contract arrangement that can maximise a positive impact on net zero targets and ambitions.

4.1. Design suitable training for internal and external access.	Commence- April 2023	March 2025	<p>All Scotland Excel staff within Scotland Excel have undertaken Climate Awareness training delivered by the Scottish Government.</p> <p>All Scotland Excel staff now have a level of climate awareness and net zero.</p>	Scotland Excel has signposted local authority Corporate Procurement Managers to the Scottish Government training sessions (February 2024).
4.2. Deliver targeted training across the sector, including refresh as required.	Commence- October 2023	March 2025	<p>Scotland Excel Academy delivers courses across the Scottish Government Procurement and Commercial Training Framework and as part of this includes up-to-date information, as appropriate for the subject matter, concerning sustainability and net zero.</p> <p>Scotland Excel is holding a Sustainability Master Class for the sector on 11th June 2024.</p>	Building Net Zero awareness and skills to deliver on Net Zero planning throughout the procurement community.

5. Continue ongoing engagement with corporate procurement managers and other appropriate procurement colleagues within individual councils ensuring clear lines of communication regarding council need and options available via Scotland Excel as portfolio develops. Activities likely to include regular updates on progress of council net zero/climate change strategies, signposting to areas of interest and ultimately a level of commitment from **councils to support and utilise options offered** within Scotland Excel's contract portfolio linked to supporting net zero ambitions.

5.1. Establish and maintain two-way communication regarding progress of strategy developments and delivery, individual council need and solutions available.	Commence- April 2023	Q3 2024/25	<p>Scotland Excel carries out assessments with councils (PCIP) which includes seeking evidence on climate mitigation performance. This leads to a report on potential improvement for the sector.</p> <p>Scotland Excel and each council conduct Quarterly Business Reviews on collaborative of the two organisations. Net Zero activities have been added to standard agendas.</p>	<p>Collaborative approach to planning is fostered.</p> <p>Feedback mechanism in place and opportunities for new initiatives to be explored.</p>
5.2. Secure a level of commitment regarding participation as solutions are designed and made available.	Commence- April 2023	March 2025	Scotland Excel's governance landscape invites feedback at every engagement level. Communication at each forum now includes Net Zero as a key theme.	Information and feedback provided to elected members, executive officers, procurement functions and buyers.

6. Progress existing and develop new relationships with suitable stakeholders from across the public and private sector, spotlight good practice examples from within the supply base, focus upon and include net zero considerations within appropriate events such as seminars, user intelligence groups and mobilisation sessions, promote the availability of reuse and repair organisations and communicate regularly of Scotland Excel and this Strategy's progress to appropriate audience as it develops.				
6.1. Build relationships with stakeholders from across public and private sector.	Commence- April 2023	March 2025	<p>Scotland Excel sits on the cross sectoral Climate and Procurement forum chaired by Scottish Government. Meetings are held quarterly.</p> <p>Strong relationships with organisations Zero Waste Scotland, Scottish Futures Trust, Energy Technology Partnership, Civ-Tech Alliance and BE-ST</p>	<p>Share best practice, monitor progress on net zero activities within procurement.</p> <p>Share ideas, information, industry intelligence, opportunities, innovation and best practice.</p>
6.2. Identify and share good practice examples within the supply base.	Commence- April 2023	March 2025	<p>During Scotland's Climate Week Scotland Excel promoted a case study on Washroom Solutions framework. The supplier TotsBots have designed reusable products and reduced the carbon impact of deliveries.</p> <p>Scotland Excel continues to seek opportunities to publicise good practice achieved by councils working effectively with the Scotland Excel supply base.</p>	Benefits delivered to Scotland Excel members through contract management were shared more widely through the public sector, promoting good practice.
6.3. Ensure net zero is included as an area of focus at appropriate internal and external events.	Commence- April 2023	March 2025	<p>Opportunities are reviewed by UIG's to ensure frameworks are planning for Net Zero outcomes.</p> <p>Scotland Excel staff have presented at events including -Infrastructure and Supply Chain for Net Zero Delivery (Jan 24) ETP Energy Transition Innovation Showcase (Mar 2024).</p>	<p>Scotland Excel teams will continue to support engagement and focus on net zero.</p> <p>Scotland Excel has used these events to also learn from other key stakeholders on innovation and best practice.</p>
6.4. Promote the availability of reuse and repair organisations.	Commence- April 2023	Complete- October 2023	Circular Communities Scotland published a case study during Scotland's Climate week 2023. The article focused reuse goods through the Scotland Excel Domestic Furniture and Furnishings framework.	February 2022 - September 2023; more than 4 tonnes of domestic furniture diverted from landfill (1.2 tonnes of CO2).

<p>6.5. Communicate progress of Strategy to appropriate audience as it develops.</p>	<p>Commence- April 2024</p>	<p>March 2025</p>	<p>Scottish Government blog during Climate Week 2023 spotlighted the Scotland Excel Net Zero strategy, aligning to the aims for the sector.</p> <p>Articulating progress objectively is an urgent requirement. Ongoing investigation of qualitative metrics used in the sector will inform Scotland Excel’s future monitoring of this plan.</p> <p>Joint review of metrics with the Scottish Government, Sustainable Procurement Limited, Zero Waste Scotland, Edinburgh Science and most recently the Climate Intelligence Service is required to ensure a consistent approach is adopted in the sector.</p>	<p>Scotland Excel continues to communicate progress on net zero across the sector.</p> <p>Research is underway to establish how best to gather, analyse measure and report environmental data.</p>
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