

# Sustainable Procurement Practical Guide

This Practical Guide covers key principles of sustainable procurement in the built environment

## IN A SNAPSHOT

In the built environment, procurement is the process of securing the products and services needed to complete a building project. This might include procuring contractors to construct a building, or procuring materials to be used on a project. Procurement is often conducted via a tendering or competitive bidding process.

ISO 20400 defines *sustainable* procurement as "procurement that has the most positive environmental, social, and economic impacts on a whole life basis.

When practicing sustainable procurement, organisations purchase in a way that favours suppliers and products that create positive outcomes for our planet and the global community".

## WHY IS IT IMPORTANT?

Supply chains play a key role in enabling an organisation or building project to achieve its sustainability goals. Assessing the full environmental and social impacts of a supply chain and its procurement is therefore a business imperative.

Sustainable procurement on construction projects can help ensure more efficient use of natural resources, a reduction in pollution and waste, and an increase in supply chain innovation. As such, it can support the achievement of [Sustainable Development Goal 12](#): "Ensure sustainable consumption and production patterns".

Supply chains can also contribute a large amount to an organisation's [Scope 3 emissions](#) (emissions that occur due to an organisation's activities, but which it has no direct ownership or control over). By focusing on improving the sustainability of an organisation's procurement strategy, there can be savings in carbon.

Implementation of sustainable procurement is a powerful tool in pushing the market to produce more sustainable goods and services, while tackling social challenges such as safe working conditions, human rights and meaningful employment.

Companies that practice sustainable procurement also have a better brand perception due to increased awareness of climate change and nature crises around the world. Good reputation is a source of sustainable competitive advantage for business in the global markets.



## PRINCIPLES OF SUSTAINABLE PROCUREMENT IN THE BUILT ENVIRONMENT

Historically, procurement decisions have often been made based on three main factors: price, quality, and time. Procurement is considered sustainable when it meets these factors, but also promotes additional positive outcomes for the people, planet, and prosperity. These additional three factors are also known as the [Triple Bottom Line](#). Some examples of the way in which Sustainable Procurement can promote each of these includes:

### People

- Ensuring Human Rights are practised throughout the supply chain (e.g. child labour in supply chain)
- Having a strong dedication to health and safety throughout the supply chain
- Upholding inclusiveness, equality, international labor standards and diversity targets

### Planet

- Reducing waste and using renewable or recycled materials that have [low embodied carbon](#)
- Ensuring production practices do not contribute to environmental pollution, biodiversity loss and habitat disturbance
- Using recognised responsible sourcing standards, such as the [Forest Stewardship Council](#) (FSC)

### Prosperity

- The creation of sustainable markets that foster sector innovation
- Economic redistribution and the creation of jobs and wealth in regeneration areas

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## HOW CAN IT BE DONE?

Sustainable procurement involves close collaboration and engagement between a variety of parties in the supply chain. There are different players involved in sustainable procurement, each who have a different role to play. A summary of these can be found below. These have been informed by work from [The Construction Industry Research and Information Association](#) (CIRIA), [The Society of Construction Law](#), and [ISO 20400](#), who have all published guidance on sustainable procurement.

### Developers and clients

Developers and clients are organisations or individuals who construct, redevelop or refurbish buildings in order to make a profit. Some of the ways in which developer/client can take action on sustainable procurement is to:

- **Set a commitment** to sustainability and collaboration and make these contractually enforceable
- **Select a construction team** based on evaluation criteria that takes into account the sustainability proposals submitted by prospective consultants, contractors and supply chain members
- **Make clear** how long-term procurement contracts will be awarded for innovations such as offsite manufacture
- **Explore contractual systems** where local and regional supply chain members can offer a lower carbon footprint

### Construction teams

Construction teams are those who are tasked with physically constructing what has been stipulated. They may include project managers, main contractors, site engineers and sub-contractors. Some ways construction teams can take action on sustainable procurement is to:

- **Aim to be involved** in the preconstruction phase of a project to ensure that they can collaborate with the client to develop sustainability proposals as preconditions to commencement of the construction phase of the project
- **Explore** the best ways for (local and regional) supply chain members to contribute their sustainability knowledge
- **Procure sustainable materials and solutions** (such as [modern methods of construction](#) (MMC)) as opposed to traditional alternatives

### Suppliers

Suppliers [are](#) organisations or individuals contracted to provide supplies or services such as goods and materials for a construction project. Some ways suppliers can take action on sustainable procurement is to:

- **Understand** the client's sustainability ambitions and the unique circumstances of the project. Seek sustainable solutions that will be most effective for that project
- **Use expertise to advocate** for the most sustainable solutions on a project
- **Commit to innovating** and providing more sustainable products and options
- **Provide data insights** into the environmental impacts of their products



Photo: Architects Journal

## CASE STUDY: THE ENTOPIA BUILDING, CAMBRIDGE INSTITUTE FOR SUSTAINABILITY LEADERSHIP

This 1930's telephone exchange aims to be an exemplar demonstrator building for sustainability principles. The original structural frame has been retained for a deep retrofit approach along with extensive reuse of materials. Examples of sustainable procurement include:

**Early contractor involvement:** An NEC Option A contract was awarded based on a two-stage tender with a PCSA period provided to allow for early engagement and feedback from the main contractor.

**Reuse the existing asset:** The original building sub and super structure / envelope was retained. This was estimated to save around 60% of the embodied carbon compared with demolishing the existing building.

**Use of recovered materials onsite or from another site:** 350 light fittings were recovered from another site are to be retested and re-warranted with few alterations. Carpet tiles were reused for approximately 12% of the building's floor area. Reusing the existing raised access floor across most of the building, which saved around 85,000kgCO<sub>2</sub>.

**Low impact materials procured:** 35% of materials procured by mass biobased specification – including Sonaspray K-13 acoustic cellulose insulation, Gutex woodfibre insulation, Diathonite plaster with cork granules, hemp fibre insulation, Warmcel cellulose insulation and linoleum.

Find out more about this case study in our [How Circular Economy Principles can Impact Carbon and Value](#) report.

### IN SUMMARY...

Supply chains play a key role in enabling an organisation or building project to achieve its sustainability goals. Sustainable procurement involves a variety of stakeholders, all of whom have a role to play in the sustainable outcomes of a project.

## READ MORE ABOUT SUSTAINABLE PROCUREMENT

CIRIA: [Guide to Sustainable Procurement in Construction](#)  
ISO20400: [The Road to Sustainable Procurement](#)  
Society of Construction Law: [Procuring Net Zero Construction](#)