

# The Highland Council

Agenda Item	4iii.
Report No	CCC/3/25

**Committee:** Climate Change

**Date:** 29 January 2025

**Report Title:** Net Zero Thematic Group Update - Procurement and Community Wealth Building

**Report By:** Assistant Chief Executive – Place

## **1 Purpose/Executive Summary**

- 1.1 The report provides an update on the work being progressed through the Procurement and Community Wealth Building Thematic Group.

## **2 Recommendations**

- 2.1 Members are asked to **consider and note** the progress of actions by the Procurement and Community Wealth Building Thematic Group.

## **3 Implications**

### **3.1 Resource**

- i. The Commercial and Procurement Shared Service (C&PSS) employ the services of Oxygen in Aberdeenshire and Aberdeen City Councils, a technology and professional services provider that offers supplier incentive schemes to help organisations improve their supply chain.
- ii. C&PSS have negotiated with Oxygen to provide a report based on Highland Councils' supply chain to ascertain the impact of procuring the goods and services in the way that we do and from the suppliers we do, based on scope 3 emissions.

- 3.2 **Legal** - There are no immediate Legal implications arising from this report.

- 3.3 **Risk** - There are no immediate Risk implications arising from this report.

- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are no immediate Health and Safety implications arising from this report.

- 3.5 **Gaelic** - There are no Gaelic implications arising from this report.

## **4 Impacts**

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring and update report and therefore an impact assessment is not required.

## **5 Procurement – Scope 3 emissions**

- 5.1 To assist Highland Council in reaching its Carbon Reduction and Net Zero targets, there is a requirement to understand the impact procuring goods and services in the way that we do has on carbon and to highlight potential areas for improvement and reduction in carbon emissions
- 5.2 In Highland there is a substantial amount of financial data that can be analysed to give an indication of scope 3 emissions attached to each purchase made by all services across the Council.
- 5.3 Scope 3 emissions analysis will have a direct impact on the delivery of Community Wealth Building – for example, if the Highland Council are buying goods from afar at a cheaper financial cost, scope 3 emission analysis will identify the carbon cost of that purchase and it may be of benefit to the local economy in both financial and carbon terms to engage with more local suppliers, subject to procurement rules and regulations and the ability of local suppliers to service the Highland Council requirements.

## **6 Activity underway/in the pipeline**

- 1. Top 5 suppliers by each Category Manager to be ran as a test group using the new Spikes Cavell SIC (Standard Industrial Classification) codes lookup table approach - 17 Jan.
- 2. Check this test group for accuracy of allocated SIC to vCode look up (a taxonomy designed to help classify suppliers more accurately) - after 17 Jan - report initial results.
- 3. If test is successful run whole THC suppliers listing to obtain SIC by supplier - by end Jan 2025.
- 4. Check sample to make sure (in confidence) that SIC makes sense prior to issuing the data upload to Oxygen for full insight work to scope three emission calculations.
- 5. During January explore data agreement to ensure all parties are accepting the circulation of the confidential data on spends, suppliers etc for THC to Oxygen.
- 6. Anticipated receipt of calculations received towards the end of February from Oxygen
- 7. Long term - develop methodology to automate as much as possible the above to ensure repeatability.

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14. Long term - develop methodology to automate as much as possible the above to ensure repeatability.

Designation: Assistant Chief Executive - Place

Date: 6 January 2025

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Background Papers: None

Appendices: None