

Background and Tender process

Historically, stationery supply in Northamptonshire was fragmented, with multiple sources.

In 2005, Northamptonshire decided to formally tender for a partner to supply the Council with all its stationery and office supply needs.

Contract winner: Commercial Group

Judged on price and procedures, Commercial Group won the tender, and began supply in January 2006.



Although Community Benefits were not formally assessed, Commercial scored notably highly on Environmental procedures. Having established carbon neutrality in 2006, Commercial have gone on to establish themselves at the forefront of the green agenda and are proactively supporting social and economic community benefits.

Current ESE Community Benefits

Economic

- At Cheltenham HQ, a web ordering system captures the vast majority of the county council's orders. The benefits to Northamptonshire are that skills in web ordering are provided to County Council employees. In addition, because payment can be made by Government Procurement Card, the back end process is also automated providing a resource benefit to the council.
- Savings are now accruing; Following the full implementation of the GPC in October (and using OGC's calculations for resource savings at £28 per transaction), the Council will save over £120,000 per annum based on average of 387 orders per month. This saving will be used to improve other community or council services.
- At the Lutterworth Distribution Centre, wealth is created for the region through employees, with many employees living in Northamptonshire. One of the key paper Suppliers, Howard Smith, employs 87 staff who live in Northamptonshire and hence may spend a large amount of their earnings in the county.
- At NCC, the concentration of stationery spend on Commercial by making the contract mandatory, combined with utilisation of the Q-Connect range of products has resulted in a cashable saving to the authority of £80,000 per year, which has been clawed back from budgets for investment in other priorities for the people of Northamptonshire.

Social Benefits

- The Lutterworth Distribution centre employs local people, many of whom currently live in Northamptonshire. Drivers are provided with training on safe handling of equipment. Risk assessments are routinely undertaken.
- At NCC, 500 end users have received training to use the web system and bespoke NCC user guide.

Environmental Benefits

- Across the company, Commercial offset their CO2 emissions against positive action in other countries to gain recognition as a Carbon Neutral supplier. They are committed to reducing their CO2 emissions by 50%.
- Commercial pro-actively choose environmental products when buying goods and services. They have implemented a recycling scheme. At Lutterworth, logistics facilities are shared, reducing the impact on Greenfield sites and development and utilising spare capacity.
- At NCC, greater use of recycled products is being encouraged, including the use of EP4 or Evolve copier paper.

Business, Tuesday, January 23, 2007 3



Companies learn value of green strategies

AN EVENT aimed at helping firms understand how environmental strategies can benefit their businesses is due to be staged at the start of next month.

Office services company, The Commercial Group, is staging the event at Cheltenham Racecourse's Centaur to throw the spotlight on corporate social responsibility. Industry and business leaders from across the UK will have the opportunity to learn how they can not only avoid discrimination from customers and suppliers but also potential tax burdens. The event will begin with a screening of the Al Gore movie on climate change, *An Inconvenient Truth*.

A keynote presentation from CarbonNeutral and Green Standards will follow aimed at showing delegates how environmentally sound practice can help streamline processes, increase cost efficiencies and retain that all important competitive edge.

Simone Mann, a director at the Cheltenham firm and the person responsible for project managing the company's environmental and corporate social responsibility strategies, said: "This event has been designed to share knowledge and discuss the business benefits of embracing environmentally friendly best practice in the work place."

For more information about the event, which is due to take place on Thursday, February 1, from 9am to 3pm, and to register a place at the screening of the Al Gore movie, please visit www.commercial-events.co.uk.

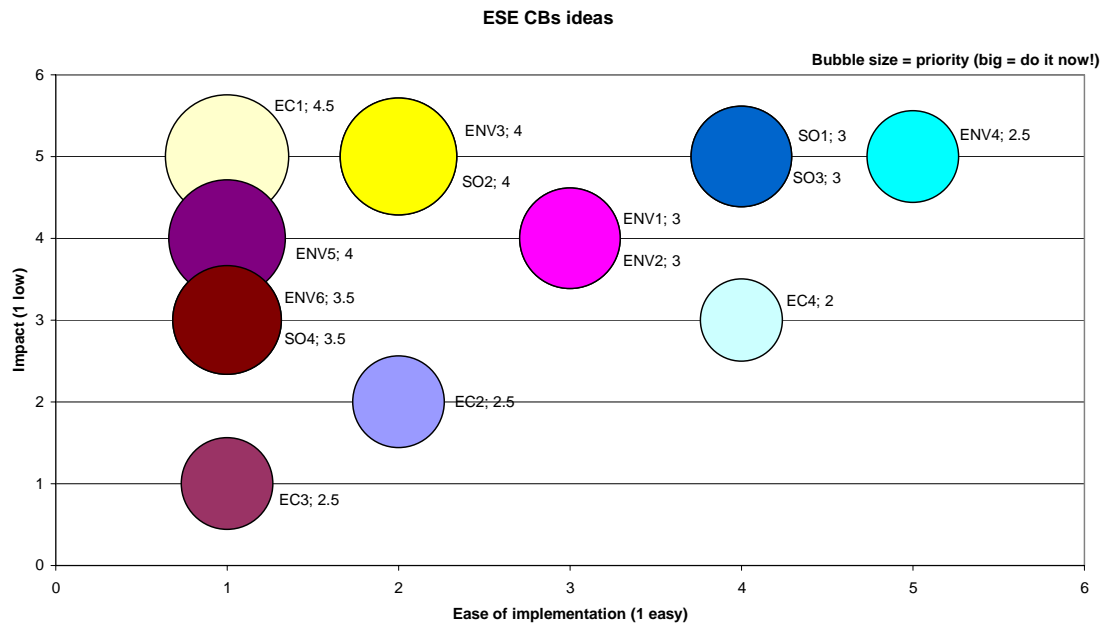
Or contact Emma Hartman on 01242 703443 or e-mail emma.hartman@commercial.co.uk.

Future ESE Community Benefits

Commercial are committed to support NCC in their efforts to deliver Community Benefits. Following a contract review meeting, a number of actions were identified to deliver ESE Community Benefits, shown in the table below. Actions have already been progressed for items with high priority.

ESE	Item summary	Action	Measure	Idea ID	Ease of implementation	Impact	Priority	Actions	Progress (Nov 07)
Economic	Reduce the reliance on state benefits and social provision but also create wealth to be spent in Northamptonshire: recruit from the unemployment register in Northamptonshire towns for the Lutterworth Distribution Centre	Commercial HR department to advertise vacancies in Daventry and Northampton Job Centres	% jobs advertised and given to local people	EC1	1	5	4.5	All vacancies at Lutterworth are currently advertised in Daventry and Northampton Job Centres	Management information made available: 4% of the current work force live in Northamptonshire
	Reduce carbon emissions for deliveries but also creates wealth for businesses in Northamptonshire and the employees who work there by sourcing more products from Northamptonshire suppliers	Commercial Procurement Department to identify 3 new opportunities per year to source products from suppliers within 30 miles of Lutterworth	# new / alternative products from NCC	EC2	2	2	2.5	Give targets to Commercial Group's buying team	Commercial Group's buying team proactively looking for opportunities; Howard Smith (Local company) provide paper for NCC contract
	Reduce carbon emissions for deliveries but also creates wealth for businesses in the UK and the employees who work there by sourcing more products from UK owned companies	Commercial Procurement Department to identify 1 new opportunity per year to source products from suppliers within the UK	# new / alternative products from UK	EC3	1	1	2.5	Give targets to Commercial Group's buying team	Commercial Group's buying team proactively looking for opportunities
	Reduce use of paper and resource for checking and processing low value invoices by accepting electronic or as minimum consolidated invoices where GPC is not used	NCC Corporate Procurement Manager to plan this change into the transition plan with Commercial during Oracle implementation	# / % of invoices managed by paper	EC4	4	3	2	This should be reduced by approx. 95% by end of October 2007 with the implementation of single GPC.	Fully implemented and being tracked
Social	Provide opportunities for those who find it hard to get work and this improves their social well being by setting up and keep records of people recruited from the unemployed register and those with a disability	Commercial to record and encourage employing previously unemployed and those with a disability	# / % jobs advertised and given to disabled and unemployed people	SO1	4	5	3	Proactively supporting recruitment process and provide management information	3 disabled people are currently employed - i.e. 1% of workforce
	Help the community by training drivers are first aid proficient and safe driving compliant	Commercial to provide a training plan to include first aid and safe driving training for drivers	% drivers trained	SO2	2	5	4	Drivers are not currently trained. Commercial will provide training of drivers.	Drivers now trained in basic first aid and are driving at 20 mph in school zones and around all schools
	Encourage social diversity by employing people in ratio to the ethnic diversity of the local population	Commercial to report ethnic makeup of its employees at both Cheltenham and Lutterworth against published statistics from local Census	% of each ethnic background	SO3	4	5	3	Proactively supporting recruitment process and provide management information	Management information made available: KFH ethnic background statistics White British: 177; White Other: 101; Black: 20; Other: 2
	Reduce fear of crime and feeling safe by using recognisable and approved ID cards when making deliveries	Commercial to introduce ID Cards to its drivers	% drivers with ID badges	SO4	1	3	3.5	This is being introduced and 100% of all NCC drivers will wear an ID badge	This is being introduced and 100% of all NCC drivers will wear an ID badge
Environmental	Improve CO2 emissions by using Bio fuel	Commercial to define implementation date	% miles travelled with Bio fuel	EN V1	3	4	3	Install tank and begin using Bio fuel	Tank delivered and installed, will go live Q1 08
	Improve CO2 emissions by avoiding congestion hotspots with SatNav	Commercial to work with NCC to identify a route planning policy avoiding congesting times/routes	Total miles travelled for NCC account	EN V2	3	4	3	Implement SatNav across the delivery team	Update Q1 2008
	Improve CO2 emissions by giving training on driving with fuel efficiency in mind	Commercial to work with NCC to identify any synergies with NCC staff training	Average MPG	EN V3	2	5	4	Provide management information and training	Update Q1 2008
	Reduce landfill by reducing packaging waste	Commercial to work with NCC to minimise packaging and recycling of packaging	Average packaging weight to product weight ratio	EN V4	5	5	2.5	Discuss opportunities with high volume producers	New packaging for USB sticks implemented
	Reduce CO2 emission by reviewing the use of the NCC next day service	NCC to look at consolidation of deliveries/delivery days using ordering patterns and MI supplied by Commercial	% deliveries next day	EN V5	1	4	4	Provide management information and co-ordinate with NCC	Update Q1 2008
	Reduce energy and waste by eliminating paper catalogues	Commercial to work with NCC to look at an on line version	# paper catalogues	EN V6	1	3	3.5	Create on-line tool	Update Q1 2008

For ease of reference, a bubble diagram (shown below) has been created. The size of the bubble indicates the priority, the horizontal axis indicates how easy the change is to implement and the vertical axis the impact to the Council.



Priority actions in the Spotlight

Economic

- Commercial will identify whether a greater number of manual workers could be recruited from the unemployed in towns such as Daventry and Northampton, both of which are only a short commute to the Lutterworth Distribution Centre. This would not only reduce the reliance on state benefits and social provision but also create wealth to be spent in Northamptonshire.
- Where there is a negligible impact upon cost and quality, Commercial will source more products from suppliers based in Northamptonshire or nearby counties. This not only reduces carbon emissions for deliveries but also creates wealth for businesses in Northamptonshire and the employees who work there.
- If there are no immediately local Suppliers available, and again where there is a negligible impact upon cost and quality, Commercial will source more products from UK owned companies.
- As part of NCC's programme to introduce Oracle ERP systems, Commercial will move towards electronic or as minimum consolidated invoices where GPC is not used. This reduces the use of paper for the supplier and provides a resource saving to the authority for checking and processing low value invoices.

Social Benefits

- Commercial will set up and keep records of people recruited from the unemployed register and those with a disability. Employing people in this way provides opportunity for those who find it hard to get work and this improves their social well being.
- Commercial drivers were not trained in first aid or safe driving practice in school zones and around school buildings. Given the considerable benefit to the community and those whom come in contact with drivers, Commercial have now completed this training. Drivers will 'stick under 20'.
- Engaging all sectors of the community is important. The ethnic diversity of the organisation should reflect that of the community and local population.
- As delivery drivers are involved in deliveries to locations where there may be vulnerable adults and children, the communities' fear of crime and feeling safe could be improved if drivers carried recognisable and approved ID cards when making deliveries.
- Although Commercial's recruitment policies are committed to supporting and promoting ethnic and cultural diversity, the make up of ethnic minority staff is lower (0.7%) than that of the local area (3.3%). A table showing the breakdown of the ethnic make up is shown below. Commercial are pro-actively assessing why they may not be attracting people from ethnic minority backgrounds to work for them.

Year	Directors	Account Managers & Sales	Buying, Print and Marketing	Admin and Accounts	Service and IT	Despatch and Drivers	Total Staff	Recruitment (run as sep co)	
								Total recruitment	Of which Ethnic Minority
May-01	4	18	5	15	16	12	75	5	2
May-02	5	22	7	15	14	13	81	5	5
May-03	5	26	9	15	14	16	92	6	4
Jul-03	5	29	10	15	19	16	101	7	3
Dec-03	5	31	10	16	21	16	106	7	2
Feb-04	5	31	8	17	24	17	108	6	2
Mar-04	5	33	8	20	25	17	113	5	2
Jun-04	5	34	9	21	26	16	116	5	2
Jul-04	5	39	9	20	26	16	121	6	2
Oct-04	5	37	10	21	26	16	120	5	2
Mar-05	5	35	12	21	26	16	122	6	1
Jun-05	5	35	12	21	28	19	125	5	1
Aug-05	5	38	12	21	30	20	130	4	1
Feb-06	5	38	12	25	27	19	130	4	1
Feb-07	5	40	13	25	27	19	134	5	1

Environmental Benefits

- Commercial are in the process of having a Bio fuel pump installed to enable company vehicles to refuel using lower emission fuels - this will go live in Q1 2008. Drivers will be receiving training on driving with fuel efficiency in mind. It was identified that local knowledge could be used better in route planning with the possibilities of SatNav technology used to avoid traffic congestion on one hand and urban accident hot spots or school zones etc. on another.
- Commercial will provide training to drivers with regards to fuel efficiency.
- Packaging continues to be a significant area of waste.
- NCC presently require a next day service - this will be monitored and adjusted as data becomes available.
- Paper Catalogues continue to be issued, albeit in a thinner Q-Connect version.



Summary

The Northamptonshire County Council Procurement Team are passionate about delivering Community Benefits. With over 60% of the income of the Council going to the Third Sector, it is critical to ensure that the 'right' Suppliers are chosen by promoting Community Benefits in both existing contracts and new tenders.

By working with receptive and forward looking companies like Commercial Group, Northamptonshire will undoubtedly become a more desirable place to live.