

## Forward Commitment Procurement Demonstration Projects

### Procuring innovation

The joint DTI / DEFRA Environment Industries Unit (EIU) is working with procurement professionals to demonstrate the Forward Commitment Procurement (FCP) model, pioneered by the business led Environmental Innovations Advisory Group.

The demonstration projects aim to show, at a working level, how the power of public sector procurement can be harnessed to create much needed innovative solutions for pressing environmental problems, such as waste management and energy efficiency.

### A simple but powerful tool

In this model, procurement becomes a means of delivering policy objectives.

It requires no additional funding, and promises to deliver better, cheaper sustainable solutions. It involves making changes in the way specifications are developed, eg focussing on outcomes rather than products, and the way in which procurement and supply chains are managed, eg involving early market engagement.

The benefits however are considerable. It is a win-win for both the public sector – who get the solutions they need, and innovating companies – who get a visible market for their products.

### OGC involvement

The Office of Government Commerce (OGC) is working alongside, providing guidance on how to implement FCP in the context of EU rules and value for money objectives, and are keen to look at how Forward Commitment

might be used as a model for seeking innovative solutions in other sectors.

### Support for FCP

The Sustainable Procurement Task Force reported its findings to Government on 12<sup>th</sup> June 2006. One of its recommendations was that:

*“Government must lead the public sector in setting forward commitments to purchase innovative solutions and establish clear routes to public sector market for suppliers of innovative solutions.”*

### Demonstration projects

Two demonstration projects are underway; HMPS and LFEPA are working with the FCP Team to explore how innovation and forward commitment procurement could help them deliver their unmet needs. These examples are leading the way in developing the forward commitment procurement model

**HM Prison Services** is looking for a means to deliver a zero waste mattress system.

**The London Fire and Emergency Planning Authority** is seeking a waste disposal solution for non-recyclable waste arising from its fire stations.

The outcome will be more sustainable solutions for HMPS and LFEPA, and practical guidance on how this can be replicated across the public sector.

---

### Next Steps – an invitation

- A model process is nearing completion and guidance will be produced in 2007.
- A second phase of demonstration projects is being put in place.

The Forward Commitment Team would be interested in hearing from public sector bodies that may like to get involved in a second tranche of demonstration projects beginning in 2007.

If you are interested in finding out more about Forward Commitment Procurement, or would like to talk to us about getting involved in a demonstration project, please contact the Project Manager:

**Gaynor Whyles: Phone 0166 657 5353 or Email [environmental.industries@dti.gsi.gov.uk](mailto:environmental.industries@dti.gsi.gov.uk)**

## HM Prison Service Demonstration Project

### An unmet need identified

HMPS currently buy in the order of 60,000 highly flame retardant, polyurethane foam mattresses and pillows per year and dispose of around 40,000. The combined cost of supply and disposal is estimated to be in excess of £3 million per year.

Although the current specification (for a solid foam mattresses covered in calico designed to rigorous safety and fire retardant requirements) is considered a success, the mattress has a short life span (due to soiling and misuse), and disposal is unsustainable (landfill or clinical waste).

In short, the current solution is costly and environmentally unsustainable.

### Defining the desired outcomes

Having identified an area in need of improvement, the next step was to define the outcomes we were looking for:

HMPS aspires to a **zero waste prison mattress system** that meets or exceeds current operational requirements in terms of health and safety.

**By 2012**, HMPS wants all its mattresses and pillows not classified as hazardous waste to be recycled or reused instead of going to landfill; and to reduce to 2 % pa the number of mattresses disposed of as hazardous or clinical waste.

### Seeking innovative solutions

A market sounding exercise is underway to find innovative ideas and information that will enable HMPS move towards their goal of a more sustainable mattress system.

A wide range of market sectors are being consulted on all aspects of the mattress supply, consumption and disposal life cycle.

### Market sounding

The aim of the market sounding exercise is to allow potential suppliers to put forward innovative solutions for the reduction of waste arising from the mattress life cycle and secure cost

efficiencies, while delivering demanding operational requirements. In order to deliver the best possible solutions in the short, medium and longer term HMPS wish to:

- **present the unmet need and desired outcomes** to potential suppliers and collaborators;
- explore both innovative **technical and commercial solutions**;
- **gain information** that will inform their specification and help future-proof their procurement strategy.

A Directory listing those who have responded to the exercise will be published online; submissions will be reviewed and options assessed. The resulting report will inform their future procurement strategy. Further market consultation may be undertaken in 2007, leading to a call for competition in 2007 / 2008.

### Potential for innovation

Some examples of the areas where innovation and information are being sought include:

- New and alternative materials for the mattress and coverings
- Whole life cycle management arrangements
- Innovative commercial arrangements,
- Incorporation of social benefits
- Fire proofing that is safe and facilitates sustainable disposal / recycling
- Sustainable waste disposal / recycling or reuse solutions
- Alternate mattress design

### Forward commitment for innovation

In planning its procurement strategy, HMPS will consider facilitating the take up of innovative and pre-commercial technologies and approaches through a forward commitment to purchase products and services that are near market and not yet in commercial production or commercially available, subject to agreed performance targets being met