Sustainability Service

ENVIRONMENTAL MANAGEMENT SYSTEM

UNIVERSITY OF LEEDS

Energy Efficient Equipment Purchase Procedure

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Title	Energy Efficient Equipment Purchasing Procedure				Owner Name	Michael Howroyd	

1. INTRODUCTION

This procedure outlines the steps that must be taken when purchasing any new equipment as part of new build or refurbishment projects. The procedure is designed to ensure equipment purchase supports Government Buying Standards, support University carbon reduction and meets the requirements for any buildings being assessed for BREEAM.

2. RESPONSIBILITIES

The budget holder: is responsible for specifying equipment in line with this procedure.

The Purchasing / Finance representative: is responsible for ensuring purchases meet the requirements of this procedure.

3. PROCEDURE FOR EQUIPMENT PURCHASE

3.1 Any equipment purchased as part of University new build or refurbishment must meet the minimum criteria within BREEAM (2018) Ene 08 Energy efficient equipment.

The requirements can be found through following this link –
https://www.breeam.com/NC2018/#06_energy/ene08_a.htm#refE

3.2 The whole life costing process that should be followed for Healthcare equipment can be found in the appendix of this procedure.

3.3 In addition to meeting 3.1, any equipment purchase must support a reduction in non-regulated energy. To support this, whole life costing shall be used to review whether higher standards should be adopted (e.g. A*** for fridges and freezers).

3.4 Evidence of meeting these standards must be retained in order to evidence BREEAM requirements and for internal auditing purposes.

If any additional advice is required or the link is broken please contact sustainability@leeds.ac.uk

Appendix – Whole Life Costing

The following section is taken from 'HTM 07-02: EnCO2de, Making energy work in Healthcare – Part B, Department of health, 2015'.

1.16 Whole life costing

1.16.1 Whole life costing (WLC) is another way to assess the relative merits of various procurement options, but it takes a broader definition of cost than conventional accounting techniques. WLC considers all costs over the life of goods and services that are procured. In this way, WLC provides the means of determining whether it is cost effective to invest in a product that is initially more expensive in order to reduce costs in the long run – a very useful tool when considering energy efficiency measures.

1.16.2 WLC is not as comprehensive as a full environmental impact assessment (which would consider the emissions produced in the manufacture of the product, for example), but it does allow for some of the environment-related cost dimensions to be considered. For example, WLC will take account of the end-of-life costs involved in a decision, such as disposal costs, opportunities for recycling and so on.

1.16.3 Any WLC exercise should therefore consider:

- direct running costs – resources such as energy, consumables and maintenance used over the lifetime of the product or service;
- indirect costs – for example, additional loading on cooling plant arising from equipment that is not energy efficient and hence emits surplus heat;
- additional administration costs – the overheads associated with buying a standard solution, for example purchasing hazardous products that have special requirements such as additional controls and special handling and disposal;
- spending to save – investing in higher levels of insulation to save heating and reduce bills;
- recyclability – which might include creating markets for the organisation's waste by buying recycled products;
- cost of disposal – perhaps paying a premium at the outset to reduce waste, for example by choosing a product that is more durable, reusable, recyclable, includes disposal costs, or is free of hazardous materials which would otherwise require its disposal in a special way.

1.16.4 In addition to direct financial returns, there are nearly always wider benefits that should be taken into account, including:

- improved manageability, for example through better control and monitoring;
- reduced maintenance and staff costs after replacing or upgrading plant;
- reduced harmful emissions to the atmosphere (CO2, NOx, SOx and so on) – particularly important because it reduces the health impact locally to both the building users and the surrounding community;
- improved management information and decision making;
- improved services, comfort, well-being and productivity.

1.16.5 The final item in that list is often missed but is commonly one of the greatest benefits. A combination of benefits can result from a virtuous circle – a well managed environment, optimum levels of energy efficiency, leading to occupants satisfied with their environment and raising their well-being and productivity. This does not mean that installing measures will always directly improve productivity, but rather that healthcare organisations with well-managed buildings tend to have satisfied occupants who pay attention to energy management.

1.16.6 Another factor that can be taken into account using WLC is the cost savings for any items that would otherwise have had to be provided and maintained, for example omission of façade or roofing materials where photovoltaic or solar panels are proposed; or the reduced costs of engineering systems where heating or cooling requirements are reduced and the value of their attendant plant and distribution space.

1.16.7 WLC allows for the differences between certain quality principles to be taken into account. For example (subject to meeting EU rules), if tenderer A does not have the particular certification stipulated in the specification, but tenderers B and C do have the correct certification, the purchaser needs to account for the additional cost of obtaining the desired certification for A's product.