

Committee(s): Summit Group Procurement Sub Committee Finance Committee	Date(s): 24 February 2020 24 March 2020 21 April 2020
Subject: Responsible Procurement Policy 2020-24	Public
Report of: Chamberlain's	For Decision
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Summary

This report presents the City Corporation's new Responsible Procurement (RP) Policy; a set of 18 RP commitments that City Procurement will help the organisation achieve between 2020-2024. The RP Policy will be underpinned by a detailed action plan, which is being developed in collaboration with the Responsible Business team to ensure that the RP commitments are transformed into specific, measurable, achievable yet ambitious targets with clear milestones.

It also describes the proposed approach to implementing the RP Policy in order to support the achievement of the Responsible Business Strategy, the Corporate Plan and the United Nation's Sustainable Development Goals (UN SDGs). The RP Policy is presented in conjunction with the City Procurement Strategy 2020-24, whose focus areas will facilitate and drive the realisation of the policy commitments.

Recommendation(s)

Members are asked to:

- Approve the Responsible Procurement Policy for adoption from April 2020

Main Report

Background

1. This Responsible Procurement (RP) Policy is built on the foundations of the RP Strategy 2016-19, which has supported the development of key corporate policies and strategies over recent years and has been successful in driving the implementation of RP interventions throughout the City Corporation's current procurement processes. From market engagement and stakeholder consultation at the pre-procurement stage, through to contract mobilisation and management, and including the development of impactful specifications, supplier selection and evaluation criteria, RP is embedded throughout. It is integrated into all standard documents, the Procurement Code and staff training. Responsible procurement has simply become 'good procurement' within the organisation.

Current Position

2. Taking this progress into consideration, it has been deemed that there is no longer a need for a separate strategy to drive RP within City Procurement. This new RP Policy has been integrated into the City Procurement Strategy 2020-24 to highlight those aspects achieved so far and to give future action the right focus.

Proposal: The Responsible Procurement (RP) Policy 2020-24

3. The RP Policy (*see Appendix 1*) sets out the City Corporation's RP commitments 2020-24. Achievement of these commitments will support the continued delivery of the Responsible Business (RB) Strategy 2018-23, which is underpinned by the social and environmental aims of the Corporate Plan.
4. Like the RB Strategy, the RP Policy is based upon 9 of the 17 United Nations Sustainable Development Goals (UN SDGs) deemed most relevant to the City Corporation's activities; goals that we have the most potential to help achieve through continuous improvement of our local and global supply chain activities. The outcomes of the overarching City Procurement Strategy 2020-24 will help support the successful achievement of the RP commitments.
5. A detailed action plan is being developed in collaboration with the Responsible Business team to ensure that the RP commitments are transformed into specific, measurable, achievable yet ambitious targets with clear milestones. Progress on these actions will be reported to the Responsible Business Implementation Group as part of the RB Strategy 2018-2023 and will also form part of City Procurement's quarterly report to Procurement Sub Committee.

Corporate & Strategic Implications

6. Responsible Procurement has supported the development of the following corporate policies and strategies and the new RP Policy 2020-24 will continue to help drive and amplify their implementation, and will continue to drive the delivery of Strategies on 100% Renewable Electricity, Modern Slavery, Digital Skills, Fairtrade, Social Mobility, Transition to a Zero Emission Fleet, Living Wage, Air Quality, Strategic Transport, Waste, Single Use Plastics, Responsible Business and the Corporate Plan. It is also playing a key role in defining and helping to develop the City Corporation's Climate Action Strategy.

Implications

7. City Procurement's efficiency and savings targets have consistently been met, as RP requirements have been continuously strengthened over the last three years. Looking forward, any foreseen financial implications of e.g. investing in new technologies to improve environmental performance or in supply chain mapping exercises to minimise human & labour rights and or climate change risks will be presented through the relevant governance processes for endorsement.

8. In terms of property implications, the RP function works closely with City Surveyors to support continuous improvement in terms of environmental sustainability of existing assets, and feeds into design and construction of new builds and major refurbishment works. There are no IT, HR or legal implications.

The Future of Responsible Procurement

9. The whole City Procurement team and departmental stakeholders involved in procurement governance (Category Boards) are well trained and very supportive of the RP agenda, with a set of tools and guidelines at their disposal to help facilitate the integration of social, local economic, environmental and ethical criteria in partnership with stakeholder departments. The City Corporation's Social Value Panel have supported this upskilling and continuous improvement since the establishment of the Panel in 2014.
10. Going forward, the Responsible Procurement function will focus efforts on monitoring and actively facilitating social value, environmental and human rights outcomes associated with the City Corporation's contracts, whilst continuing to support and advise on RP implementation in strategic, high risk and high spend contracts. To reflect this shift in focus and make best use of panelists' time and expertise, the Social Value Panel's terms of reference will change to adopt a more strategic lens, looking at the broader responsible business agenda, whilst at the same time providing input and support on methods of supplier engagement and support, contract monitoring and management, and effective reporting and continuous improvement techniques.

Conclusion

11. Responsible Procurement has helped ensure that the City Corporation's approach to contracting reflects our responsible business values and ambitions since 2016; it has simply become 'good procurement'. It brings many benefits to the organisation by helping drive a culture shift towards more ambitious and progressive goals and has positively impacted our reputation and legitimacy amongst stakeholders and peers.
12. Using the new RP Policy 2020-24 as a framework of focus, the RP function will work closely with supply chain partners to support and facilitate the successful delivery of impactful sustainable development outcomes, drive the delivery of key corporate strategies including Responsible Business and Climate Action and maintain the organisation's position as a recognised leader in the field.

Appendices

- Appendix 1 – Responsible Procurement Policy: Commitments and alignment

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