

<b>Committee(s):</b> <b>Equality, Diversity and Inclusion Sub-Committee</b>	<b>Dated:</b> 11 December 2023
<b>Subject: Responsible Procurement Update</b>	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1, 3, 5, 7, 8, 10
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>£0</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N</b>
<b>Report of: Caroline Al-Beyerty, Chamberlain</b>	<b>For Information</b>
<b>Report author: Lisa Moore, Responsible Procurement Manager, Commercial Services</b>	

### **Summary**

The City Corporation has made a clear commitment to drive added-social value through all its procurement and contract activity. The Responsible Procurement Policy seeks to advance six commitments with its supply chain. The Commercial Services facilitate and report on the progress of these commitments, but every officer with buying responsibilities has an important role to play in seeking to advance them.

The Equality, Diversity and Inclusion Sub committee is asked to note the approach set out in this paper and the contribution procurement can have in driving the City's strategic policy objectives. To ensure alignment, a review of the responsible procurement commitments will be undertaken once the new Corporate Plan, People Policy and the City Corporation's EDI objectives have been approved.

### **Recommendation(s)**

Members are asked to note the contents of this report.

### **Main Report**

#### **Background**

1. The City Corporation's Procurement Code outlines the rules which must be followed when buying on behalf of the City Corporation including the institutions.
2. Within the City's Procurement Code there is an entire section dedicated to responsible procurement (rules 45 – 54). Rules which are particularly relevant to this committee include; Rule 45 regarding the City Corporation's Responsible

Procurement Policy; Rule 46 on Supplier Diversity and Local Procurement; Rule 48 on Equity and Diversity; and Rule 50 on Modern Slavery.

3. In July 2022, Policy & Resources Committee approved an updated Responsible Procurement Policy which outlines the importance of responsible procurement as part of the overall value delivered through procurement; the responsibilities of buying officers at each stage of the commercial life cycle and the six responsible procurement commitments the City Corporation actively work on with its supply chain.
4. The six responsible procurement commitments are: taking climate action; promoting supplier diversity (diverse owned enterprises and SMEs); embedding equity, diversity and inclusion; guarding against modern slavery; facilitating work-related opportunities and delivering meaningful social value outcomes.
5. This policy also introduced a mandatory 15% responsible procurement weighting for all strategic procurement tenders.
6. Additional information and toolkits are available to officers to facilitate understanding and ways to implement responsible procurement including:
  - Information on Equalities in Procurement is published on SharePoint including when to undertake an equalities impact assessment and sectors with known links to discrimination or inequality which should be used to determine relevant specifications and tender questions.
  - EDI toolkit – outlines why this commitment is important to the City Corporation and how to incorporate EDI into specifications, tender questions and contract monitoring.
  - Supplier Diversity toolkit made available end of November 2023 with the same format as the EDI toolkit.

### **Current Position**

7. The City Corporation is an active member of MSDUK, a supplier diversity advocacy organisation working for inclusion of ethnic minority businesses in corporate supply chains, and is leading the London Responsible Procurement Network's subgroup on supplier diversity. Updates on the City Corporation's expanded supplier diversity commitment have been provided to the EDI sub-committee as part of the Tackling Racism Taskforce updates.
8. The Commercial Service is currently undergoing an ISO20400 audit on sustainable procurement which looks at policies, procedures, and implementation of responsible procurement. Results will be available later this year and shared with Executive Leadership Board.
9. Commercial Services recently implemented a Supplier Diversity Monitoring Form and made changes to the City Corporation's contracts register so it can track supplier diversity for contracts over £100,000. It is also exploring new ways to get better supplier segmentation through new technology services.

10. In 2024, to ensure alignment with corporate policy, a review of the responsible procurement commitments will be undertaken after the new Corporate Plan, People Policy and the City Corporation's EDI objectives have been updated.

### **Key Data**

11. Currently, data regarding progress against our responsible procurement commitments are not held centrally. However, as set out in previous paragraphs, the Commercial Service is currently working to develop corporate monitoring and reporting processes. The Corporation has committed to producing its first annual responsible procurement setting out progress achieved in the financial year 23/24. As part of this update, both quantitative and qualitative data will be available.

### **Corporate & Strategic Implications –**

12. Strategic implications – The commitment to responsible procurement is aligned with the City Corporation's Corporate Plan to contribute to a flourishing society and support a thriving economy.

13. Financial implications – Policy & Resources Policy Initiative Fund has provided the funding for our MSDUK membership and for supplier diversity events.

14. Resource implications – None

15. Legal implications – None

16. Risk implications – Commercial Services considers responsible procurement as part of the risk management profile of each contract requirement but there are no specific risks to highlight as part of this paper.

17. Equalities implications – The commitments in the RP policy should positively impact or seek to reduce negative impacts on people with protected characteristics.

18. Climate implications – None

19. Security implications - None

### **Conclusion**

20. This report seeks to highlight how the procurement process can drive the City Corporation's policy objectives, provide an update on resources available to officers and how Commercial Services will report on impact in the future.

### **Appendices**

Links have been provided instead of separate documents.

- [City Corporation's Procurement Code](#) [external link]
- [City Corporation Responsible Procurement Policy](#) [external link]

### **Background Papers**

- Follow-Up Paper to Responsible Procurement Policy Update, Agenda item 6, Policy & Resources Committee, 7 July 2022

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