

Committee(s): Finance Committee Police Authority Board Policy & Resources Committee EDI Sub Committee	Dated: 4 June 2023 5 June 2023 6 June 2023 10 June 2023 26 June 2023
Subject: Responsible Procurement Impact Report FY23-24	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	All six outcomes
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£0
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Caroline Al-Beyerty, Chamberlain	For Information
Report author: Lisa Moore, Responsible Procurement Manager	

Summary

As the governing body of the square mile, the City Corporation, has responsibilities to residents, workers, businesses, visitors and many more. Our operations are one way that we can impact the lives of those who work, live, or visit our spaces, but to be world-class and achieve our ambitions we need to work collaboratively. This report captures some of the impact that our supply chain partners have had on the diverse communities we serve, on the City as a vibrant thriving destination and leading on a sustainable environment.

This report holds us and our supply chain partners accountable, measuring our success against targets that will evolve to reflect new challenges. It also publicly recognises suppliers who have fulfilled their commitments and showcase 'what good looks like' to the City Corporation. We're proud to share 39 impact statistics and 13 supplier spotlights in this report.

We consulted with the six procurement category boards and had approval from the Town Clerk's Senior Leadership Team to publish this report externally.

Recommendation(s)

Members are asked to note the impact report prior to external publication on the Responsible Procurement Policy page at the end of June 2024.

Main Report

Background

1. 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.
2. 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. Appendix one for full wording.
3. This policy also introduced a mandatory 15% responsible procurement weighting for all strategic procurement tenders.
4. The Commercial Service committed to compiling an annual impact report from FY23-24 to be published in Q1 of the following financial year.
5. In October 2023, the Commercial Service underwent an audit under the ISO 20400 standard on Sustainable Procurement. The City Corporation scored 2.73 out of 5 as part of this process which is a better than average first-time score. The overall findings of the report scored the City Corporation highly for written policy and guidance but found that the further from the central responsible procurement team the less likely officers understood their responsibilities in delivering against the Responsible Procurement Policy. Appendix 2 has more information.

Current Position

6. The annual impact report (PDF in appendix four) showcases the best added value delivered by and with our supply chain partners; gives praise to suppliers who have fulfilled their commitments and displays what good looks like to the City Corporation.
7. With this report we can show City Corporation officers and Members the impact their work is having on our communities and beyond. Our residents can see that the City Corporation leverages supply chain spend for their benefit. Our stakeholders will know we are a responsible business. (e.g. Charities Commission, potential applicants, investors, etc).
8. We've committed to publishing an annual report, but to keep momentum we will be producing a mid-year update and other content to be shared throughout the year e.g. case studies and social media posts.
9. We have begun work with the Corporate Strategy Team to align our reporting with the requirements of the new Corporate Plan 2024 – 2029. Appendix three outlines how the current responsible procurement commitments can be a vehicle for the six outcomes in the Corporate Plan.
10. This report also recognises our journey to be leaders in responsible procurement using our influence and leverage to shape how the public sector addresses the topic. This is especially true for the commitments on climate action and supplier

diversity which is reflected in the report; implementation of a carbon emissions reporting system and other London boroughs joining MSDUK.

11. We will feed into the procurement governance review to evaluate how we reach more stakeholders in the business and gather more information on the impact of the Responsible Procurement Policy commitments.

Key Data

12. The City Corporation spends roughly £400m each year on goods, services and works through third party spend. In FY 23/24, 116 contracts totalling £370.5m were entered into for contracts £100,000 and above.
13. The data provided in the impact report is a mixture of quantitative and qualitative data. It contains 39 impact statistics, 13 supplier spotlights (short case studies), and information from 30 different suppliers. Such as:
 - 92 young people supported through a digital skill-boosting programme from PwC and Palantir, encouraging social mobility and entry into the technology sector
 - 24 outreach events attended to meet and engage with diverse-owned enterprises or SMEs
 - Supplier Spotlight showcasing the work five suppliers in the built environment taking proactive steps to support under-represented groups in their industry
14. The report recognises that City Corporation is also on a journey, so it includes positive steps that the City Corporation has taken such as implementing a new carbon reporting system and better supplier diversity reporting data. The report acts as our benchmark includes information on what's next so we can hold ourselves to account next year.
15. We consulted with the six procurement category boards and had approval from the Town Clerk's Senior Leadership Team to publish this report externally. We wanted to provide Members the opportunity to see the report before it goes live to the public. We have selected a few committees for this paper based on previous interest in the Responsible Procurement Policy. We will review other committees for future reporting. This report will be included in the City Bridge Foundation's Director's Report.
16. The information included in the impact report was selected to show impact against the six commitments on our contracts. We know more is being done as we received information up until the impact report was finalised. We hope publishing the impact report will influence more officers and suppliers to share information with the central responsible procurement team in future.

Corporate & Strategic Implications

17. Strategic implications – The six responsible procurement commitments have a strong alignment to the priorities set out in our new Corporate Plan. Appendix three has more information. Additionally, the central government's National Procurement Policy Statement includes a responsibility to deliver added value for the tax payer. Lastly, the City Corporation is a signatory of the UN Global Compact and other

bodies like the Social Mobility Foundation, memberships which include requirements to report on impact.

18. Financial implications – None
19. Resource implications – Compiling this report is resource intensive as it is mostly manual data collection.
20. Legal implications – The suppliers mentioned in the report have all confirmed their willingness to be part of this public report.
21. Risk implications – None
22. Equalities implications – The commitments in the Responsible Procurement Policy should positively impact or seek to reduce negative impacts on people with protected characteristics.
23. Climate implications - The commitments in the Responsible Procurement Policy should positively impact or seek to reduce negative impacts on climate and other aspects of environmental sustainability. Climate action is our number one responsible procurement commitment. Four of the thirteen supplier spotlights have a climate action focus.
24. Security implications - None

Conclusion

25. The Corporate Plan states that the City Corporation should be values-driven in our interactions, promoting equity, diversity and inclusion, and supporting sustainability (economic, social, and environmental).
26. This report will promote the City Corporation as a leader in responsible procurement and engage with suppliers who want to work with us. This is not a static process. We will be working closely with contract managers and suppliers across the business to produce reports in future.

Appendices

- Appendix 1 - City Corporation Responsible Procurement Commitments in full
- Appendix 2 - City Corporation ISO 20400 Sustainable Procurement overall score
- Appendix 3 - Corporate Plan Objectives mapped against relevant responsible procurement commitments
- Appendix 4 – Responsible Procurement Impact Report (separate PDF)

Background Papers

- None

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