

TfL Responsible Procurement

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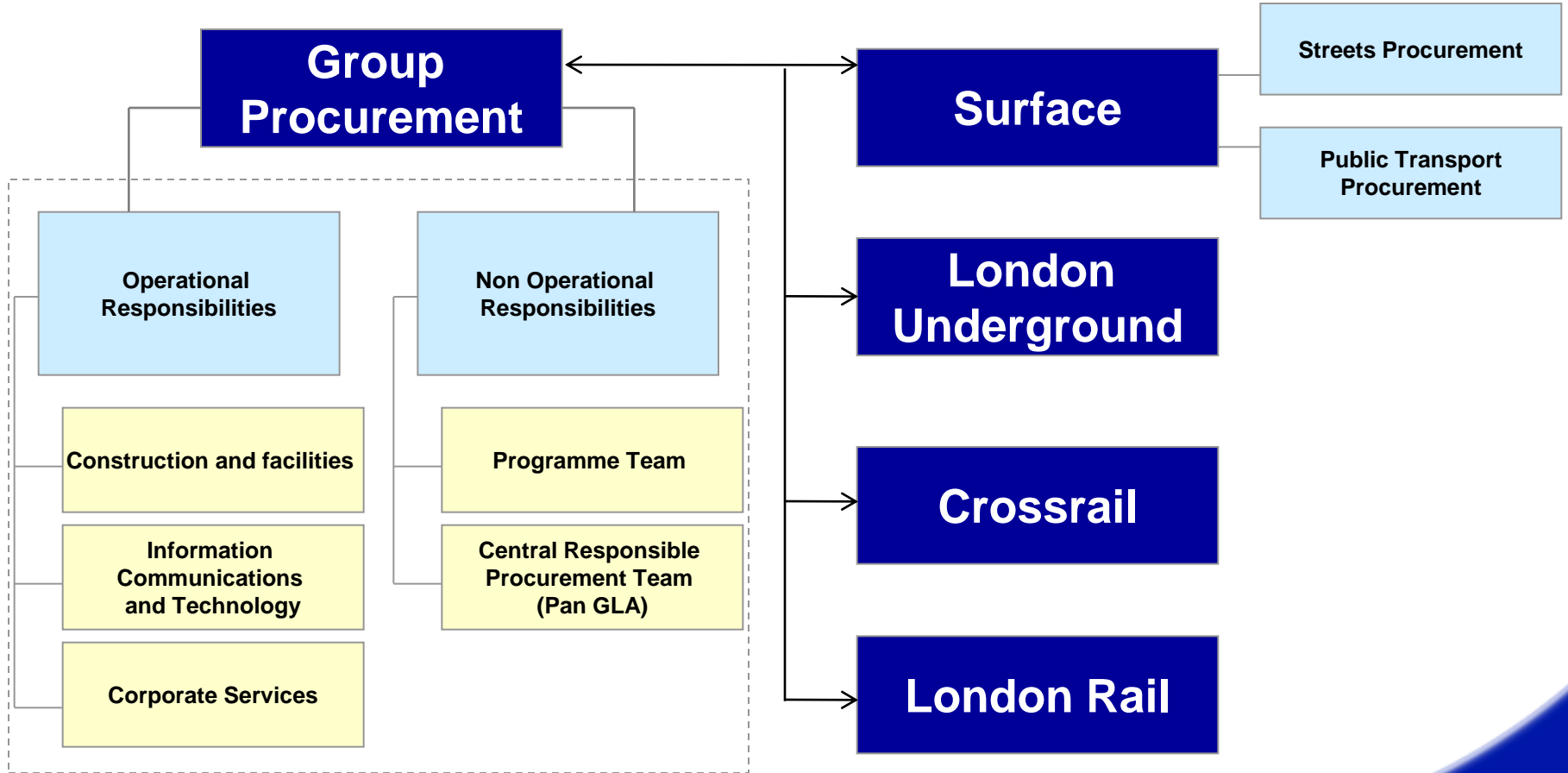


Agenda

- TfL Procurement
- Drivers and Governance
- Supplier Engagement / Success & Strategy
- Project Strategy & Challenges
- What Next
- Economic Recovery Action Plan
- Questions



Procurement structure within TfL



TfL implementation of Responsible Procurement and the seven key policy themes:



Flexible Framework / MoLGPC

Objective Level 4 by March 2009

- People
- Policy strategy and communications
- Procurement process
- Engaging suppliers
- Measurement and results



Supplier Engagement

Why Successful

- Clear strategy and leadership within TFL (supported by clear policy from the GLA)
- Procurement function has resources in place to promote the agenda effectively to suppliers via a variety of means (communication channels / meet the buyer to SRM)
- Leadership and awareness at a senior level promotes cross functional working
- TfL approach to responsible procurement enables market/supplier engagement activities to be coordinated and a consistent message to be communicated
- Dedicated supplier relationship management programme
- Sustainable (now responsible) procurement for several years, one of the first supporters of the Mayors Green Procurement Code since 2001 – built on learning, programme has gathered momentum and is well understood by key suppliers



Supplier Engagement

Why Successful

- Engage with supply the chain at different levels our strategic tier one suppliers have dedicated account managers
- Responsible procurement not just an 'add on' requirements are included in tenders requiring specific competencies and commitments – without which we will not even consider their technical and commercial capabilities
- Requirements are always designed on a contract by contract basis based on what is relevant and proportional to the contract

TFL's Strategy

- GLA policy / Vision / Steering and Working Groups (4 year strategy)
- Responsible procurement in senior staff objectives
- Responsible procurement in project and financial approval processes
- Aim is to embed RP all procurement activities to make business as usual



Project Strategy

- Support from MoLGPC
- Link to performance management in TfL
- Project lead and support
- Early engagement with stakeholders
- Senior support critical



Challenges

- Internal resource
 - Project
 - Supplier engagement
 - Understanding
 - Competing projects / reports
- Existing contracts
 - Reporting / requirements
 - Time budget priorities
- Existing reporting mechanism

Large number of stakeholders



What Next...





Mayor's Economic Recovery Action Plan

- The Mayor published his Economic Recovery Action Plan on 17th December 2009.
- This includes 60 actions to:
 - Help stimulate economic activity
 - Support those most effected by the economic downturn
 - Ensure London is prepared for the next period of growth
- Procurement-related actions will:
 - Support SMEs
 - Provide Londoners with fair wages through the London Living Wage
 - Support skills and employment



Mayor's Economic Recovery Action Plan

Social

- The Mayor launched his consultation Equality Framework 'Equal Life Chances for All' on 26th November at City Hall.
- Swift payment of suppliers is a social responsibility for TFL – currently paying almost 90% (89.3) in 10 Days
 - Compete For
 - SME Barriers

Environmental

- Freight Operators Recognition Scheme (FORS)
- Electric Vehicles / Cycle hire / River services
- Direct Contact with Wider Supply Base
- MoLGPC in Supply Chain

Economic

- Delivering strategic labour needs and training opportunities



Questions

