



responsible  
procurement

# The Mayor's Vision for Responsible Procurement

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**Central  
Responsible  
Procurement  
Team**

London Fire Brigade RP  
Seminar

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Format

1

**GLA Group Context**

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**Responsible Procurement – Story and Vision**

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# GREATER LONDON AUTHORITY



LONDON FIRE  
AND EMERGENCY  
PLANNING AUTHORITY

Transport for London



METROPOLITAN  
POLICE

Working together for a safer London

MPA

Metropolitan Police Authority



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Central Responsible Procurement Team

- Dedicated to Responsible Procurement
- Work across GLA group
- Jointly funded

Greater  
London  
Authority  
Group

Spend over £3bn  
p.a. Excluding PPP  
and PFI

Over 500  
procurement  
agents

Trade annually  
with over 30,000  
suppliers

Covered by  
multiple legal  
frameworks



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Why RP?

## Current Context



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- 1 in 7 of London's employees are paid at a rate below poverty levels
- Over half a million of London's children (41%) live in poverty
- 30% of working age residents within London are not in employment
- By 2020, over half of all employment will require degree level qualifications
- 20% of the working age population of London has a disability, yet only 11% are in employment
- 33% of the City's population are from ethnic minorities. London's employment rate stands at 70.5%, the employment rate for ethnic minorities is at 58%
- The United Kingdom is the world's eighth largest emitter of carbon dioxide. London is responsible for 8% of these emissions, producing 44 million tonnes of CO<sub>2</sub> each year.
- Per capita we need to reduce our carbon footprint from 10 tonnes to 2 tonnes



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GLA Group RP Policy published December 2006, identifying seven areas of activity:



RP Policy

The policy was re-branded to “Responsible Procurement” in February 2008:

- Sustainability often understood to refer only to environmental issues
- “Responsible Procurement” aims to communicate the importance of both social and environmental objectives in ensuring best value in procurement across the GLA Group whilst offering real long-term benefits to London.



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## Responsible Procurement Steering Group



Richard Barnes  
Deputy Mayor of London  
(Chair)

Director Level Membership from across GLA group

**RP  
Programme  
Structure**

**Central Responsible  
Procurement  
Team**

**Responsible Procurement Working Group**

CRPT and senior procurement representatives  
from each member of GLA group.

Responsible procurement implementation within  
each member of GLA group.



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# The Mayor's Vision for Responsible Procurement

“Pioneering socially, environmentally and economically responsible procurement to deliver improved quality of life and better value for money for our people, our businesses and our city.”

Working in partnership across London

## Our People

– To provide sustained Employment opportunities and improve standards of living for all Londoners

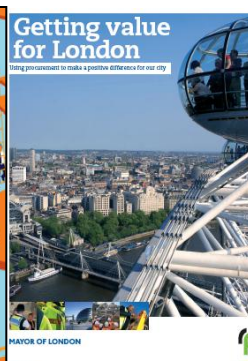
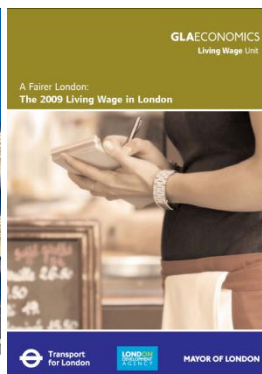
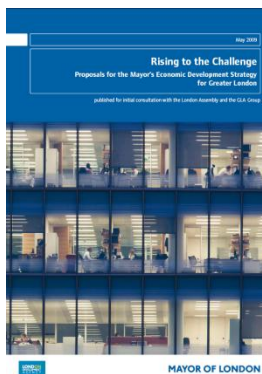
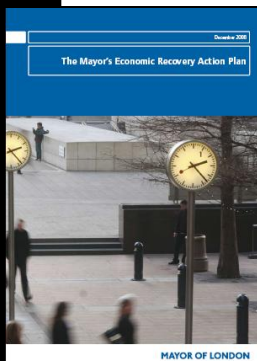
## Our Businesses

– To open up opportunities for London's businesses and encourage improved practices with our suppliers

## Our City

– To promote greater Environmental sustainability and make London a better place to live and work

Mayor's RP  
Vision for  
London





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Summary of  
GLA group  
approach

## Bespoke Approach – Relevance and Proportionality



- Contracts are considered on a **case by case basis** to identify which have the greatest scope for implementing responsible procurement.
- Relevance and proportionality are the key to ensuring compliance, and are considered at an early stage with legal and linked to the subject matter of individual contracts.
- The approach to implementation can include a combination of
  - Selection criteria
  - Specifications
  - Award criteria
  - Performance conditions
- Wherever possible Responsible Procurement priorities are communicated at each stage of the procurement process, even if assessment or performance provisions are not applied

**We encourage direct engagement with suppliers to address RP through SRM or contract management on a voluntary basis. TfL have delivered a number of benefits from this approach**



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Examples of  
RP  
Programme  
Activity

## Examples of Responsible Procurement Programme Activity

- Making procurement processes more accessible and maximising the impact of the £500m p.a. we spend with SMEs.
- ✓ Increasing the visibility of opportunities through CompeteFor
- ✓ Adopting simplified procurement documents where possible
- ✓ Paying SME suppliers within 10 working days
- Enabling employment and training outcomes by combining contract requirements for skills and employment outputs, with 'supplier skills brokers' to support suppliers in accessing public sector funding and support.
- Promoting Equal Life Chances for All by ensuring major projects include supplier and workforce diversity requirements, and where appropriate suppliers pay the London Living Wage of £7.60 per hour
- Building internal capability via bespoke Responsible Procurement training with CIPS. Over 100 staff trained to date, with potential to be made available outside of GLA group.





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# Electric Vehicle Delivery Plan

Encouraging the market and uptake of electric vehicles will help to:

- Improve London's air quality – in particular NOx and PM10 emissions;
- Reduce CO2 emissions - electric vehicles result in 30-40% less CO2 emissions than petrol or diesel vehicles;
- Achieve energy security – reduce our reliance on oil;
- UK at the leading edge of this technology – encourage UK R&D by creating a strong domestic market.

How?

- Converting at least 1,000 GLA fleet vehicles to electric by 2015
- 25,000 charging spaces in London's workplaces, retail outlets, car parks and streets by 2015
- Continued 100% exemption of congestion charge
- for EVs saving up to £1,700
- Support of the London Electric Vehicle Partnership

- LFB working with MPS and TfL on vehicle procurement
- Trialled Modec electric vehicle on delivery routes
- Low carbon vehicles - hybrids and LPG established part of LFB fleet

Electric  
Vehicles





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### **Survey Context**

In December 2008 supplier survey issued via an on-line tool to capture data to inform our RP workplan for 2009/10 with a specific focus on SME engagement

- 3,700 existing suppliers invited – over 50% were SMEs.
- 90% of GLA group's core trade expenditure.

### **Survey Content**

- *Profile of the company;*
- *Basic fit to supply criteria;*
- *Awareness of our Responsible Procurement work;*
- *Use of London Development Agency and wider support programmes;*
- *Feedback on experiences of GLA group procurement processes (anonymised data)*

### **Mayoral Priority**

Survey outcomes were presented to Deputy Mayor and RP Steering Group

20% response rate with 91% of suppliers viewed GLA group procurement processes as better than their other public sector customers and 80% equal or better than their private sector customers.

### **Actions**

1. Visibility of contract opportunities
2. Supplier debriefing
3. SME consortia
4. Awareness of Responsible Procurement
5. Monitoring Progress

**Key Actions –  
What Our  
Suppliers  
Told Us**



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## Support Programmes to help

GLA group has placed a premium on making connections between its suppliers and business support programmes.

These can offer funding and support to companies to develop their sustainability offering, but awareness is often poor.

### Support Programmes

Local supply chains



Skills and Employment



Environmental Impacts



Equality and Inclusion



Diversity Works  
for London

Ethical Sourcing





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**Supplier  
Charter**

## Responsible Procurement Supplier Charter



- Part of partnership working between LFB and key suppliers
- Request for commitment from LFB suppliers
- Engagement process to deliver benefits in partnership
- LFB developed methodology to prioritise RP areas/themes to focus our joint activity
- Supported by action plan / commitment schedule
- Support programmes are suggested, not mandatory
- Opportunity to provide benefits to your organisation, to London and to increase your competitive advantage



Further  
Information

Getting Value for London base line  
report available on RP website

[matthewgalvin@tfl.gov.uk](mailto:matthewgalvin@tfl.gov.uk)

Responsible  
Procurement Website –  
[www.london.gov.uk/rp](http://www.london.gov.uk/rp)

