GLA Group Responsible Procurement Delivery Plan

2025-28

Introduction

The London Growth Plan¹ sets out London's vision for a more prosperous, fairer and greener global city. It was developed by City Hall and London Councils, in collaboration with boroughs, businesses, trade unions and London's communities. It is a blueprint for helping create 150,000 new, high-quality jobs, and turbocharging inclusive, sustainable economic growth in London and across the country.

We are supporting business, especially small and diverse enterprises and London's growth sectors such as clean tech. We are helping Londoners develop their skills to find good, meaningful work and progress their careers. Meanwhile, we are continuing to tackle the climate emergency – the race to achieve net zero is the economic opportunity of the century.

These goals can only be achieved by working in partnership. For example, we continue to collaborate with the London Partnership Board, the London Anchor Institutions' Network (LAIN) and the London Responsible Procurement Network (attended by London's public authorities, including many boroughs) to scale up collective action on the city's key challenges.

Responsible Procurement is a key component of our partnership delivery. Working with our suppliers, we can leverage the GLA Group's² expenditure to deliver enormous social value throughout our supply chain. This is helping businesses, workers and the environment – in London and beyond.

Our approach is guided by the priorities set out in the Mayor's Mandates. Delivery will also align with the requirements of the Procurement Act 2023³ and the National Procurement Policy Statement. The second of these sets out the UK government's mission-driven social value priorities, which public authorities should consider through their procurement. Our actions form part of London's contribution to these priorities, including on economic growth, the environment, and breaking down barriers to people accessing opportunities.

This Delivery Plan sets out how the GLA Group, supported by the Central Responsible Procurement Team (CRPT), will implement our Responsible Procurement and Social Value Policy⁴ in order to realise these ambitions.

¹ GLA, London Growth Plan, February 2025

² Transport for London, London Fire Brigade, Metropolitan Police Service, Old Oak and Park Royal Development Corporation, London Legacy Development Corporation and the Mayor's Office for Policing and Crime.

³ Due regard will be had to the requirements of the Procurement Act 2023 in designing and undertaking Delivery Plan activity – in particular, delivering value for money, maximising public benefit and adhering to the principles of relevance, transparency and fairness embedded with the Act.

⁴ GLA, Collaborative Procurement Board

Our commitments

The GLA Group's procurement will deliver the following benefits to London and beyond:

- 1. Open up our supply chains to small and diverse-owned businesses
- 2. Support skills and good work
- 3. Improve the environment.

1. Open up our supply chains to small and diverseowned businesses

The Mayor recognises that our procurement activity affords us the ability to support micro enterprises, and small and medium-sized enterprises (SMEs). This, in turn, creates jobs; enables innovation; and anchors local communities. The London Growth Plan describes ambitions to back our businesses, with a focus on the 1 million small and diverse-owned or led⁵ businesses in London. It commits us to accelerating the work to make it easier for SMEs to bid for contracts from London's public-sector organisations.

The Delivery Plan describes the GLA Group contribution to this aim. The actions below particularly refer to micro enterprises; SMEs; diverse-owned businesses; and voluntary, community and social enterprises (VCSEs), including co-operatives and mutuals.

Functional bodies will perform the following actions:

- Achieve a target of at least 20 per cent spend with SMEs and diverse-owned businesses across the GLA Group by the end of the Delivery Plan period (both directly and via the supply chain), by:
 - reporting annually on progress against the target for direct spend with SMEs,
 VCSEs and diverse-owned businesses
 - working with key suppliers to track tier-one subcontracting spend with SMEs, where relevant
 - aligning with Policy Procurement Note (PPN) 001⁶ actions to publish their own SME spend targets for the Delivery Plan period, from 1 April 2026
- Remove barriers and improve access to supply chain opportunities for SMEs and diverse-owned businesses, for example, by:
 - publishing details of upcoming lower-value procurements, and highlighting those suitable for SMEs/VCSEs via the Central Digital Platform and other procurement portals

⁵ The GLA uses them term 'diverse-owned or led' for a business which has a majority (50 per cent or more) ownership, or a majority of their senior management team, comprising individuals from Black, Asian and minority ethnic groups; women; people with disabilities; lesbian, gay, bisexual, trans-person (LGBTQ+) groups; or faith groups.

⁶ Cabinet Office, PPN 001: SME and VCSE procurement spend targets, 13 February 2025

- seeking to use the below-£5m Contract Award Notice requirement to report on the number of SME and VCSE bidders, to track engagement
- where appropriate, reserving below-threshold contracts for SMEs/VCSEs as per PPN 005⁷
- scoping a pilot to aim for one in every three bids to be from an SME/VCSE or diverse-owned business in relevant low-value contracts
- participating in diverse supplier networks and engagement events
- designing and using frameworks that remove barriers to small and diverse-owned suppliers; and promoting equality of opportunity in accessing contracts.

This will be supported via learning and partnership, working as part of LAIN and the London Borough Responsible Procurement Network. The GLA Group CRPT and the LAIN team will provide strategic support by:

- reviewing opportunities for using technology to find SMEs and diverse-owned suppliers and communicating opportunities to them
- exploring the business case for investment in a low-value procurement purchasing team
- exploring opportunities for improving the baseline picture of supply chain diversity, including VCSEs, using internal and public datasets where available.

Support prompt payment in the supply chain, by:

- paying at least 90 per cent of SME invoices within 10 working days
- monitoring performance of relevant key suppliers against the requirement to pay
 95 per cent of their suppliers within 60 days
- considering the use of further tools, as supported by the CRPT, to promote prompt payment by suppliers, for example: encouraging them to achieve certification to the Government's Fair Payment Code
- performing optional spot checks of 30-day payment obligations in line with the Procurement Act, as outlined in Procurement Policy Note 021.8

Support SMEs and diverse-owned businesses throughout our supply chain, by:

 working in partnership with LAIN members and tier-one suppliers to design and pilot a supply chain mentoring programme, to upskill SMEs and diverse-owned businesses and to support them in becoming supplier-ready

⁷ Cabinet Office, PPN 005: Reserving below threshold procurements, 17 February 2025

⁸ Cabinet Office, PPN 021: Payment Spot Checks in Public Sub-Contracts, April 2025

- o engaging with support partners, including Grow London Local, to:
 - promote upskilling and development opportunities relevant to suppliers including in areas such as modern slavery; equality, diversion and inclusion (EDI); and carbon management
 - promote tendering opportunities for smaller and diverse-owned businesses
 - identify ways to create a pipeline of suppliers moving from supplier-readiness programmes to supply chain opportunities.

Maximise relevant opportunities with VCSEs, including co-operatives and mutuals, across the GLA Group, by:

- identifying and using the most effective methods to increase engagement, and tendering with social enterprises, co-operative and mutuals
- o investigating, supported by the GLA, how social-value levers can be used, where available, to encourage suppliers to support and employ social enterprises.

| Performance measure | Scope | Frequency |
|--|---------------------------------|-----------|
| Number of GLA Group key suppliers with Fair Payment Code Bronze/Silver/Gold | Key suppliers | Annually |
| Number and % of suppliers (by number) that are: • SMEs • VCSEs • diverse-led businesses | All suppliers | Annually |
| £ and % of spend with SMEs: 1. direct spend with SMEs 2. spend with subcontracted SMEs via key suppliers | All suppliers Key suppliers | Annually |
| £ and % of spend with VCSEs | All supplier | Annually |
| £ and % of spend with diverse-owned businesses | All supplier | Annually |
| % of SME invoices paid within 10 working days | All suppliers | Quarterly |

2. Support skills and good work

2a. Supporting skills and employment opportunities

The London Growth Plan has a target to help create 150,000 new, high-quality jobs, supporting great opportunities for Londoners and developing a strong talent pipeline for the GLA Group. The forthcoming Inclusive Talent Strategy will develop these themes and create a blueprint for an employer-led inclusive talent (skills, employment and careers) system.

The Delivery Plan will address skills shortages; enable social mobility; and create good jobs. It will do so by working with suppliers in developing the skilled workforce needed to support London's ambition to be net zero by 2030. It will enable a just transition, helping Londoners from all backgrounds to access new green skills and jobs, whilst reducing environmental inequalities.

Functional bodies will perform the following actions:

- Drive the creation of green skills⁹ and well-paid, high-skilled jobs with a focus on the growth sectors set out in the London Growth Plan,¹⁰ by:
 - including requirements for suppliers to create skills and employment outcomes as part of delivering contracts, including mechanisms to prioritise green skills and jobs
 - creating at least 500 supply-chain apprenticeship starts and 500 job starts per annum, thereby creating over 3,000 high-quality jobs in our supply chain over the lifetime of this plan, and progressing towards the aim of all new supply-chain starts to be reflective of London's diversity
 - ensuring suppliers create good-quality jobs by identifying ways to monitor apprenticeship completions and retentions and career progression following on from job starts.
- Facilitate social mobility and create a pipeline into employment opportunities in our supply chain, by:
 - partnering with suppliers to deliver at least four pre-employment and work experience programmes per year, aimed at bringing those with the greatest barriers to work into employment; these groups include:
 - young economically inactive Londoners
 - long-term unemployed and workless individuals
 - people from under-represented groups or disadvantaged backgrounds

⁹ The Skills England definition of green occupations can be found at: Skills England, <u>Green maps guidance</u>
¹⁰ The London Growth Plan defines these as the sectors that will be most impactful over the next decade. We define sectors based on how London's vibrant economy works in practice rather than national statistics. These sectors are: financial; professional and business services and technology; creative industries, including creative technologies; the experience economy (culture, leisure, hospitality, retail and events); and international education.

- people with the greatest barriers to work such as those with a disability, exoffenders and refugees
- hosting an annual recruitment fair during National Apprenticeship Week, at which functional bodies and their supply chains will promote apprenticeships and employment opportunities to candidates with barriers to work.

| Performance measure | Scope | Frequency |
|---|-------------------------------------|-----------|
| Number of apprenticeship starts – breakdown to include: • % workless • % female • % by ethnicity • % disabled persons • % 'green' apprenticeship | All suppliers in relevant contracts | Quarterly |
| Number of job starts – breakdown to include: • % workless • % female • % by ethnicity • % disabled persons • % 'green' jobs | All suppliers in relevant contracts | Quarterly |
| % apprenticeship completions and retentions | All suppliers in relevant contracts | Annually |

2b. Promoting good work

We are committed to driving good employment practices in the supply chain, and setting the expectation of good work in the capital. We will promote best practice and good work opportunities through a number of tools. These include the Mayor's Good Work Standard (GWS), which sets the benchmark for fair pay and contracts; employee voice; participation and wellbeing; skills and progression; diversity; and inclusive recruitment. We will adopt the Good Work principles across the supply chain, and promote good practice; produce strategies for recruitment and retention of under-represented groups; take swift action in response to claims of racism or discrimination; and provide clear pathways to promotion for under-represented groups. The Mayor recognises the contribution of trade unions in improving employment practices, and expects all suppliers to be willing to have a trade union recognition agreement.

Functional bodies will perform the following actions:

Double the number of GLA Group suppliers accredited to the GWS, by:

- requiring suppliers in relevant contracts to meet GWS principles as part of contract delivery
- continuing to include a requirement in invitations to tender to complete a GWS self-assessment
- including questions on good work and trade union recognition as part of the procurement process
- expecting suppliers to demonstrate continuous improvement over the course of the contract, in meeting the achievement and excellence levels of the GWS
- working with GLA and the CRPT to deliver regular communication campaigns and engagement with existing suppliers.

Require relevant suppliers in key growth sectors to adopt and demonstrate their commitment to EDI, by:

- identifying relevant contracts in growth sectors to promote the Workforce Integration Network Inclusive Employers Toolkit via supplier engagement and early market interventions;
- encouraging suppliers to sign up to the Disability Confident Scheme.

Ensure fair pay within the supply chain, by:

- continuing to require that all workers in locations owned or managed by us are paid at least the London Living Wage
- supporting London's commitment to become a Living Wage City through:
 - Promoting Living Wage accreditation in the supply chain and in priority sectors such as creative and cultural, sports, planning and construction
 - Adopting the principles of the Living Hours campaign, working with the Living Wage Foundation to support accreditation across the GLA Group
- working towards establishing a baseline of key suppliers that have trade union recognition agreements and collective bargaining agreements in place with their employees, and using GLA Group procurement to encourage suppliers do so where lawful and practicable.

Strategic support will be provided by the GLA Group CRPT and GLA.

| Performance measure | Scope | Frequency |
|--|---------------|-----------|
| Number of suppliers signed up to the GWS | All suppliers | Quarterly |
| Number of workers in the supply chain benefiting from the London Living Wage | All suppliers | Annually |
| Number of suppliers accredited as a Living Wage Employer by the Living Wage Foundation | Key suppliers | Annually |
| Number of key suppliers with Trade Union Recognition agreement and collective bargaining agreement | Key suppliers | Annually |

2c. Promoting ethical sourcing practices

In addition to the promotion of good work for our direct suppliers' workforce, we are committed to ensuring that workers throughout our supply chains are afforded decent working conditions. To achieve this, we will exercise human rights due diligence (HRDD). This is a process to assess the actual and potential human and labour rights impacts in our supply chains, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed. In addressing human and labour rights risks in our supply chains and promoting decent work, we want to make sure that what we buy is not provided or produced at the expense of others, regardless of their location. We are committed to a process of continuous improvement, reflecting existing and emerging legislation, guidance, and best practice in the field.

Functional bodies will perform the following actions:

Develop a process for effective HRDD, by:

- benchmarking their processes annually, to ensure continuous improvement, and developing their ability to respond to concrete instances of human and labour rights abuses in their supply chains, by creating a 'response map'
- mapping the different supply-chain tiers of focus suppliers (see below) and reconfirming the information provided by suppliers on an annual basis
- collaborating with long-term partner organisations, such as Electronics Watch and the Ethical Trading Initiative, taking full advantage of the support available, and identifying potential new collaborations.
- Exercise HRDD to identify and address human and labour rights risks and promote decent work in their supply chains, by:
 - identifying medium and high-risk suppliers (focus suppliers) on an annual basis; as a minimum, this exercise should cover:

- assessing key suppliers (as defined by each functional body) against human and labour rights risks in their supply chains, using recognised third-party tools
- identifying other non-key suppliers falling in risk categories
- scrutinising, and working in collaboration to improve, the practice of all focus suppliers; this includes:
 - inviting focus suppliers to complete the UK Modern Slavery Assessment Tool (MSAT) on an annual basis
 - working with focus suppliers to ensure they achieve an MSAT score of at least 70 per cent, including 70 per cent in key categories (assessing and managing risk; due diligence; and KPIs)
 - seeking to improve the supply chain transparency of focus suppliers by using the Open Supply Hub¹¹
- identifying high-priority areas, and related high-priority suppliers, from the focus suppliers list for the Responsible Procurement Delivery Plan (RPDP) term; these must cover, but are not limited to:
 - ICT and electric-vehicles supply chains (relating to the mining of raw materials as well as the manufacturing of batteries and semiconductors)
 - solar panel supply chains
 - construction supply chains
- carrying out in-depth engagement in high priority areas, supported by the CRPT;
 this includes:
 - establishing long-term dialogue on HRDD with these suppliers through contract management, to closely monitor and manage our risks
 - identifying opportunities to engage with workers and independent, legitimate worker representatives, including trade unions and civil society organisations, to understand and improve the working conditions on the ground.

To support the functional bodies in implementing HRDD, the CRPT will:

- lead the GLA Group Modern Slavery Delivery Group on a quarterly basis to support RPDP implementation, including by providing tools for effective HRDD
- identify and lead long-term engagement with suppliers shared across the GLA Group
- lead on external collaborations.

¹¹ Open Supply Hub is a free, open and accessible global supply chain map - https://opensupplyhub.org/

| Performance measure | Scope | Frequency |
|--|-------------------------|-----------|
| Number of suppliers disclosing tier 2 data | Focus suppliers | Annually |
| Number of suppliers disclosing tier 2 data on Open Supply Hub | Focus suppliers | Annually |
| Number of suppliers providing factory disclosures as per Electronics Watch Contract Conditions | All in-scope suppliers | Annually |
| Number of suppliers that have achieved 70% in MSAT overall and in key categories (assessing and managing risks; due diligence; and KPIs) | Focus suppliers | Quarterly |
| Number of meetings with high-priority suppliers on ethical sourcing (number per supplier) | High-priority suppliers | Annually |

3. Improve the environment

The Mayor is committed to tackling the climate and ecological emergencies. He has ambitious goals for London to achieve net zero by 2030, whilst improving air quality; building a circular economy that eliminates waste; and enhancing green spaces and climate resilience. He is also driving a just transition. The Delivery Plan sets out how the GLA Group will use procurement as a lever to drive action on these priorities.

Functional bodies will perform the following actions:

- Seek to manage and reduce supply chain carbon emissions, while encouraging climate resilience in our supply chain, supporting the Mayor's net zero 2030 ambition, by:
 - identifying opportunities to reduce carbon emissions and support climate-resilience measures in the supply chain, using the GLA Climate and Equalities Tool, the CO2 Performance Ladder, and other suitable tools; this includes:
 - working with suppliers to identify additional measures to improve climate resilience and cut emissions further, in contracts with a value over £5m and that are already required to produce a Carbon Reduction Plan, as well as other critical carbon-intensive contracts such as construction, ICT and facilities management

- engaging with suppliers to manage delivery of these resilience and emissionsreductions opportunities over the life cycle of the contract, and monitor impacts by regular reporting on agreed metrics
- aligning with the requirements of the UK government's PPN 016 (Carbon Reduction Contract Schedule)¹²
- working towards monitoring all supply chain emissions by 2027-28, in line with the GLA Group's Climate Budget process, including by identifying suitable metrics through collaboration between CRPT, GLA and functional bodies, as the first step towards full supply chain emissions monitoring
- providing the skills for procurement and commercial teams to consider carbon management in decision making, including through the continued roll-out of Climate Literacy Training.
- Improve London's air quality by reducing emissions from vehicles and Non-Road Mobile Machinery (NRMM), by:
 - continuing to require all new contracts with freight and servicing vehicles under 3.5 tonnes delivering to GLA Group buildings to be zero-emission from 2025, working towards all deliveries to be zero-emission by 2030
 - o promoting the transition towards zero-emission NRMM¹³ by 2040 across the GLA Group. All NRMM used by the GLA Group, its suppliers and subcontractors, must at a minimum comply with Mayoral NRMM Low Emission Zone (LEZ) policy for equipment on construction sites. The GLA Group will also exceed this policy by applying the same requirements to all NRMM used outside of construction sites such as for streetworks, events and filming.
- Embed circular economy requirements in procurement to reduce waste and carbon emissions, by:
 - ensuring GLA Group construction projects align with the principles set out in the GLA's Circular Economy Statement Guidance,¹⁴ and monitoring the resulting environmental savings, including carbon emissions savings wherever possible
 - encouraging suppliers to make use of applicable reuse initiatives, such as construction waste hubs, internal reuse of furniture, and take-back schemes for ICT equipment; and monitoring the resulting carbon emissions savings wherever possible
 - aligning with the objectives of the London Food Purchasing Commitment, promoting food with high environmental and animal welfare standards

¹² Cabinet Office, PPN 016: Carbon reduction contract schedule, 17 February 2025

¹³ NRMM includes mobile machines and transportable industrial equipment or vehicles, fitted with internal combustion engines but not made to transport goods or passengers on roads. See: GLA, Non-Road Mobile Machinery (NRMM)
¹⁴ GLA, Circular Economy Statement Guidance, March 2022

- aligning with the objectives of London Councils' One-World Living Single-Use Plastics Pledge to minimise the use of single-use plastics
- o aligning with the objectives of the London Textiles Plan to minimise textiles waste.
- Enhance biodiversity and green spaces, by: protecting and enhancing green infrastructure in GLA Group estates, working with suppliers to embed suitable requirements into contracts such as landscaping and estate management.

| Performance measure | Scope | Frequency |
|---|---|-----------|
| Number of GLA Group key suppliers with carbon-reduction plans | Contracts over £5m in total | Annual |
| Number of suppliers engaged in carbon-reduction activities | In scope contracts | Annual |
| Number of contracts requiring zero- emission deliveries | In scope contracts | Annual |
| Supply-chain emissions-reduction metric (once developed) | Carbon-intensive contracts and those over £5m | Annual |

Enabling implementation

To ensure effective delivery and monitoring, the GLA Group will:

- continue to apply at least a 10 per cent minimum weighting of the total evaluation score to responsible procurement and social value; a higher weighting is encouraged where relevant and proportionate, and we will explore opportunities to use this
- continue to create, measure, manage and report social value outcomes using approaches such as the London Themes Outcomes and Measures system and the government's Social Value Model
- facilitate appropriate training on responsible procurement and social value, to upskill procurement and commercial teams, and other relevant stakeholders.

| Performance measure | Scope | Frequency |
|---|--------------------|-----------|
| £ of SV proxy value | Relevant contracts | Quarterly |
| Number of hours of completed responsible procurement training | Relevant staff | Annually |

To support the functional bodies in implementing the Responsible Procurement Delivery Plan, the GLA Group CRPT will:

- continue to provide subject-matter expertise and procurement guidance
- develop and embed a GLA Group Supplier Charter setting out the social, economic and environmental sustainability standards we expect our suppliers to commit to as part of doing business with us
- coordinate Group-wide stakeholder and supplier engagement to promote key priorities, facilitate the sharing of best practice and maintain leadership, by:
 - facilitating internal stakeholder engagement across the Group
 - coordinating supplier engagement and development events and programmes
 - facilitating joint working with London Boroughs, to collectively maximise the impact of responsible procurement initiatives, including by continuing to chair and provide the secretariat function to the London Responsible Procurement Network
 - playing an active role in the international collaborative initiatives and projects such as the Procura+ Network, and C40 programmes such as the VISIBLE Clean Construction Project
 - representing the GLA Group at the National Social Value Task Force and the International Working Group on Ethical Public Procurement

- develop, commission and deliver relevant responsible procurement training, including theme-specific e-learning modules and briefings
- explore opportunities to carry out supply chain mapping exercises and understand how ethical sourcing mapping can support understanding of climate risk
- lead communication on outcomes and impacts of the programme through appropriate channels, including case studies, reports and presentations
- identify suitable benchmarking approaches such as ISO 20400
- support LAIN in meeting the commitments of the charter through procurement and supply-chain activities, including co-chairing the Procurement Working Group.