The GLA Group Responsible Procurement and Social Value Policy

COPYRIGHT

Greater London Authority July 2025

Published by

Greater London Authority

City Hall

Kamal Chunchie Way

London

E16 1ZE

enquiries 020 7983 4000

Photographs ©

Copies of this policy are available from https://www.london.gov.uk/who-we-are/what-mayor-does/collaborative-procurement-board

The Mayor's Vision

My vision for London is simple – I want all Londoners to have the same opportunities that our city gave to me and my family: a secure home they can afford, a good job with fair pay and conditions, and a safe, clean and healthy environment.

I'm passionate about fairness and social justice and so I will continue to do my utmost to ensure that opportunity and prosperity are evenly shared across our city. My mission is



to grow London's economy and enhance our status as a world-leading city for business, creativity, equality and environmental sustainability. I want London to be a global beacon of openness, acceptance and respect for diversity.

The London Growth Plan sets out my vision for a more prosperous, fairer and greener global city. We're supporting business, especially small and medium enterprises and London's growth sectors like clean tech. We're helping Londoners develop their skills to find good, meaningful work and progress their careers. Meanwhile we're 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 and London Anchor Institutions' Network to scale up collective action on the city's key challenges

Working together with our suppliers, we can leverage the GLA Group's expenditure to deliver enormous social value throughout our supply chain. This is helping businesses, people, and the environment – in London and beyond.

Sadiq Khan

Mayor of London

Introduction

The GLA Group spends around £9.5billion on procurement every year. The scale and diversity of our buying power presents a huge opportunity to deliver social, economic and environmental benefits for London and beyond, through our procurement and supply chains, known collectively as social value.

By ensuring responsible procurement, the GLA Group¹ can deliver the following social value benefits:

- Drive good employment practices among our suppliers, so their employees receive fair employment terms and pay, such as the London Living Wage, and have access to trade unions.
- Break down barriers that restrict small and diverse-led or owned businesses, community business, co-operatives and mutuals, social enterprises and community sector organisations from entering our supply chain.
- Help tackle the climate emergency, reducing carbon emissions and waste in our supply chain, while improving air quality.
- Help Londoners access the skills they need to improve their employment opportunities and develop their careers.
- Encourage innovative approaches that advance London's competitiveness as a world-leading city for business, creativity and fairness.
- Build on and share good practice within the GLA Group and other partners.

The GLA Group Responsible Procurement and Social Value Policy is informed by best practice from across the UK and beyond; and aligns with relevant regulation, such as the Procurement Act 2023, Modern Slavery Act 2015, the Social Value Act 2012, the Equality Act 2010 and the National Public Procurement Statement.

The commitments of this Policy will be implemented through the GLA Group Responsible Procurement Delivery Plan.²

¹ 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.

² 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 chain to small and diverse-owned businesses.
- 2. Support skills and good work.
- 3. Improve the environment.

1. Open up our supply chain to small and diverse-owned business

We will encourage equality and diversity through the following actions:

- Removing barriers in our procurement approaches and processes that inhibit micro, small and medium-sized enterprises³ (SMEs), voluntary and community sector enterprises (including co-operatives and mutuals), and diverse-owned or led enterprises⁴ from easily entering our supply chain. We will ensure our procurement processes are transparent, straightforward, and open to the whole of the supplier community.
- Paying our suppliers promptly, and paying SME suppliers within 10 working days, in recognition of their specific challenge around cash flow; and requiring our first-tier suppliers to ensure prompt payments throughout our supply chain.

Working with our tier-one suppliers to facilitate and support increased supplier diversity throughout the supply chain.

2. Support skills and good work

Supporting skills and employment opportunities

We will seek to create skills, training and employment opportunities through the following actions:

- Including a relevant focus in contracts on training and employment opportunities including apprenticeships, training leading to qualifications, pre-employment programmes, placement positions, and engagement with schools and colleges.
- Addressing skills shortages in key industry sectors, by working with our suppliers
 to ensure that they create the skills and employment outcomes needed to maintain
 a high standard of delivery of our services to the community.

³ Section 123(1) of the Procurement Act 2023 defines an SME as an enterprise with fewer than 250 staff; and less than or equal to £44m in annual turnover or a balance sheet total of less than or equal to £38m. See: Legislation.gov.uk, Procurement Act 2023, part 13, section 123.

⁴ The GLA uses them term diverse-owned or led for a business that 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.

- Working with our supply chain to address under-representation of diverse groups –
 including women, disabled people, younger and older people, LGBTQ+ people,
 and people from a Black, Asian and minority ethnic background.
- Requiring our suppliers to target relevant opportunities to people experiencing barriers to employment – such as long-term worklessness, disability, mental health issues, being ex-offenders or ex-service personnel – and communicating those opportunities to local communities
- Promoting London's just transition⁵ to a fair, zero-carbon economy by supporting green skills and jobs.

Promoting good work

We will promote good work in our direct suppliers' own workforce as well as in their supply chains through the following actions:

- Applying the principles of the Mayor's Good Work Standard⁶ throughout the supply chain. This includes commitment to fair pay and London Living Wage; employee voice and trade union recognition; safe and decent working conditions; and progression opportunities.
- Seeking to purchase from suppliers who have made public commitments to good work, such as pursing Living Wage accreditation and the Mayor's Good Work Standard.
- Encouraging suppliers to employ a workforce that is representative of London's diversity, and that tackles employment and pay gaps.
- Working with our suppliers to understand (and regularly assess) the terms on which
 people working in our supply chain are employed, and to ensure they are not
 exploitative or unlawful.
- Working with suppliers to ensure that they do not use exploitative 'zero hours' contracts or any other employment practices that exploit people working in our supply chain.
- Encouraging our suppliers to provide safe and healthy workplaces for their workforce including employees, self-employed workers and contractors, and to improve working conditions.
- Seeking to contract with suppliers that recognise, communicate and respect the
 rights of their workforce to associate freely and to organise and bargain collectively,
 and that are willing to enter into a Trade Union Recognition Agreement if their
 workers choose to seek one.

⁵ 'Just transition' means equipping organisations and individuals with the skills, infrastructure and other resources to participate in and benefit fully from the zero-carbon economy, and ensuring equality of access to its benefits across the community.

⁶ GLA, The Good Work Standard (GWS)

Promoting ethical sourcing practices

All workers in our supply chains in the UK and throughout the world should be treated equitably and with dignity. To do so, we commit to adopting a responsible and ethical business practice, and to promoting and upholding similar standards with our suppliers and throughout our supply chains.

We will promote ethical sourcing and address risks of human and labour rights abuses in our supply chains, including modern slavery, through the following actions:

- Respecting, and holding our suppliers accountable to, international human and labour rights. These include, but are not limited to, those defined by the International Bill of Human Rights; the ILO Declaration on Fundamental Principles and Rights at Work and related Conventions; the United Nations Guiding Principles on Business and Human Rights; the UK Government Modern Slavery Act 2015; the Ethical Trading Initiative's (ETI's) Base Code;⁷ and the relevant legislation in the countries from which we procure goods and services.
- Exercising human rights due diligence to identify, address and remedy any human and labour rights risks in our supply chains; and, in doing so, seeking to improve transparency within them, reflecting existing and emerging legislation, guidance and best practice in the field.
- Collaborating with external parties, including Electronics Watch,⁸ the ETI and relevant civil society organisations and trade unions, as well as other public bodies, to address any risks identified, as part of a process of continuous improvement.

3. Improve the environment

We will improve environmental performance in our supply chain through the following actions:

- Helping tackle the climate emergency and support the Mayor's net zero 2030 target by seeking to measure and reduce the GLA Group's supply-chain carbon emissions where possible; and buying low-energy products with a low carbon and ecological footprint. We will also strive for resilience in our supply chains by promoting adaptation to the impacts climate change.
- Improving London's air quality by transitioning to low- and zero-emissions vehicles and non-road mobile machinery (NRMM)⁹ by 2040, while encouraging our suppliers and subcontractors to do the same. We will require compliance with Mayoral NRMM Low Emission Zone regulations as a minimum. We will also enhance road safety for London's pedestrians and cyclists by requiring suppliers to

⁸ Electronics Watch

⁷ Ethical Trade

⁹ 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, <u>Non-Road Mobile Machinery (NRMM)</u>

meet the Work Related Road Risk¹⁰ framework, and for vehicles to comply with the Direct Vision Standard, where applicable.

- Reducing waste and excessive consumption of natural resources by promoting circular economy principles and the waste hierarchy. This includes buying longlasting products; using more sustainable materials; and minimising disposable items, especially single-use plastics.
- Minimising harm to nature, biodiversity and animal welfare. We will carefully
 specify and manage contracts for food, timber and chemicals; only use herbicides
 where there is no viable alternative; and avoid peat-based products.
- Exploring opportunities to procure innovative new solutions to environmental challenges.
- Encouraging suppliers to manage their environmental performance by aligning with ISO 14001 or equivalent standards where relevant and proportionate. We will also require key products to comply with relevant certifications, such Fairtrade tea and coffee.

¹⁰ TfL, Work Related Road Risk

Enabling implementation

To ensure effective implementation of this policy, we commit to the following actions:

- Implementing our policy commitments through a GLA Group Responsible Procurement Delivery Plan which includes actions, targets and KPIs to quantify the benefits wherever possible.
- Monitoring and reporting performance and good practice against this policy.
- Embedding responsible procurement requirements in our contracts and developing tender evaluation criteria where appropriate.
- Ensuring our responsible procurement requirements are relevant and proportionate to the size and nature of the contract. We will factor in market conditions; and ensure that opportunities for small and diverse businesses aren't limited by policy requirements.
- Communicating and reviewing this policy and its benefits to the GLA Group, our partners and through our supply chains.
- Sharing best practice with partners in London, the UK and worldwide, learning from others while offering leadership and supporting others to improve performance.
- Making appropriate financial and staff resources available; and providing training and mentoring for our staff to continue to successfully implement responsible procurement.
- Engaging with our suppliers to identify opportunities for business and market development that can be realised from responsible procurement and providing support and guidance to help them comply with our policy.

The GLA Group Collaborative Procurement Board¹¹ is accountable for overseeing the implementation of this Policy. Performance against the GLA Group Responsible Procurement Delivery Plan will be reported to relevant Mayoral Programme Boards. The GLA Group Responsible Procurement Forum is responsible for ensuring this policy is kept up to date, reflecting legislation, policy, intended outcomes and best practice lessons. The Forum will review this policy every two years.

¹¹ https://www.london.gov.uk/who-we-are/what-mayor-does/collaborative-procurement-board

Other formats and languages

For a large print, Braille, disc, sign language video or audio-tape version of this document, please contact us at the address below:

Greater London Authority

City Hall

Kamal Chunchie Way

London E16 1ZE

Telephone 020 7983 4000 www.london.gov.uk

You will need to supply your name, your postal address and state the format and title of the publication you require.

If you would like a summary of this document in your language, please phone the number or contact us at the address above.