

MAYOR OF LONDON

**THE GLA GROUP
RESPONSIBLE
PROCUREMENT
POLICY**

The GLA Group Responsible Procurement Policy

Greater London Authority June 2017

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The Mayor's Vision and Statement of Intent

My vision for London is simple - I want all Londoners to have the same opportunities that our city gave me: a home they can afford, a job with fair pay and employment terms, an affordable and modern transport system and a safe, clean and healthy environment.

I'm passionate about the importance of fairness and social justice and will ensure that opportunity and prosperity are shared, and that vulnerable people are protected from exploitation. My mission is to advance London's competitiveness and status as a world-leading city for business, creativity, fairness and environmental sustainability. I want London to be a global beacon of tolerance, acceptance and respect.



How can Responsible Procurement help deliver my vision for London?

I want the GLA Group's extensive public procurement of products and services to deliver lasting positive change. This will be achieved by:

- Working to improve our communities in partnership with local people and organisations to address their specific needs through relevant contract requirements and performance measures.
- Driving fair employment practice with our suppliers to ensure that their employees receive fair employment terms and pay, including the London Living Wage to the extent permitted by law.
- Breaking down barriers that restrict SMEs, community sector organisations and under-represented groups from entering our supply chain to generate employment, skills and training opportunities.
- Encouraging innovative approaches that advance London's competitiveness as a world leading city for business, creativity and fairness.
- Leading by example in the procurement of clean technologies and using resources efficiently.
- Preserving and regenerating our natural environment and protected buildings/sites.
- Building on and sharing good practice within the GLA Group and externally.

Through the GLA's responsible procurement, we can help to make London a more equal, fair and sustainable city and so generate benefits for all London's communities now and in the future.

A handwritten signature in blue ink that reads "Sadiq Khan". The signature is fluid and cursive.

Sadiq Khan
Mayor of London

Context

The principal purposes of the GLA are, for the Greater London area, the promotion of:

- Economic development and wealth creation;
- Social development; and
- Improvement of the environment¹

For the GLA Group², responsible procurement means pioneering socially, environmentally and economically sustainable procurement to deliver improved quality of life and better value for money. It involves working in partnership across London to provide sustained employment opportunities and improve working conditions. It means opening up access to contract opportunities for London's diverse businesses, and voluntary and community sector organisations, encouraging improved practices with our suppliers and promoting greater environmental sustainability to make London a better place to live and work.

The GLA Group spends around £11 billion on its procurement activities every year. The scale and diversity of our buying power presents considerable opportunities for effective partnership working, to achieve value for money and encourage innovative approaches. Responsible procurement led by the GLA Group and championed by the Mayor has the potential to create a massive ripple effect throughout all of London's suppliers that can fundamentally change the way that products and services are designed, provided and consumed.

Through its consulting work, the GLA Group operates throughout the world in countries with a wide variety of cultural, political and economic systems. As a public-sector body representing London and the United Kingdom, we consider more than just the demand for our services and our economic requirements when assessing overseas opportunities. We believe that businesses should consider human rights, labour standards, the environment and anti-corruption when making business decisions. We therefore always consider the measures that we can put in place to ensure that our services will be delivered in a manner that reflects these values. In this way, the GLA remains committed to extending its heritage of ethical sourcing and employment to its activities abroad.

This document is a high level strategic policy setting out the GLA Group's plans, ambitions and commitments for ensuring continuous improvement in London, delivered through all the Group's procurement activities, which supports the delivery of the Mayor's commitments and related strategies. It reflects best practice and demonstrates that our procurement activities meet all relevant legislative requirements, such as the Modern Slavery Act 2015, the Social Value Act 2012, the Equality Act 2010 and others.

¹ Section 30(2) Greater London Authority Act 1999

² The Greater London Authority, Transport for London, the London Fire and Emergency Planning Authority, Mayor's Office for Policing and Crime, London Legacy Development Corporation and Old Oak and Park Royal Development Corporation. This Policy is also supported by the Metropolitan Police Service who are accountable to the Mayor's Office for Policing and Crime. For the purposes of this policy the references to the GLA Group shall include the Metropolitan Police Service.

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This policy will be supported by action plans to demonstrate how each GLA Group Functional Body will implement the policy using a risk and opportunity based approach in a relevant and proportionate manner. This includes working with our first tier suppliers and their supply chain where possible to fully implement this policy. More information is set out in the 'Implementation section'.

Our Commitment

We will ensure that decisions taken by members of the GLA Group on the procurement of goods, works or services are undertaken in line with our commitments set out in this document under the following themes:

1. Enhancing social value
2. Encouraging equality and diversity
3. Embedding fair employment practices
4. Enabling skills, training and employment opportunities
5. Promoting ethical sourcing practices
6. Improving environmental sustainability

These will be applied, where relevant and proportionate, in commercial arrangements with partnering and contracting organisations.

Enhancing Social Value

We will consider how what is proposed to be procured can improve the economic, social and environmental well-being of our communities. We will work with communities and suppliers to identify any specific needs and how well-being can be improved through our procurement activities.

We will lead by example by routinely considering social value outcomes available from the procurement of goods, works and services and asset disposal in all contracts over £100,000, as well as at lower levels where specific opportunities exist.

We will consult and work with service users, communities and the supply market to improve the design and production of our works and services contracts that have an impact on the community so that outcomes are delivered in the most efficient manner, including through innovative solutions.

At all times, we will ensure that procurement requirements focusing on social value are relevant and proportionate, reflecting need and the nature of the supply market.

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Wherever and whenever possible, we will quantify the economic, social and environmental benefits delivered to our communities through procurement. These benefits will be linked to the following themes:

Encouraging Equality and Diversity³

We will encourage equality and diversity by:

- Removing barriers in our procurement approaches and processes that inhibit Small to Medium Enterprises (SMEs), community sector organisations, diverse enterprises and under-represented groups 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 encourage our supply chain to adopt supporting practices.
- Reviewing our requirements to ensure the goods and services we buy support diversity and inclusion within our own workforce.
- Identifying opportunities to encourage our suppliers to employ a workforce that is representative of the diversity of London's population and provide services that are inclusive. We will seek to work with organisations (and their supply chains) that have a good track record and can clearly demonstrate promoting equality and diversity within their own organisations.
- Maximising relevant opportunities to work with voluntary and community sector organisations including social enterprises in supply and service delivery.

Embedding Fair Employment Practices

We will seek fair employment practices by:

- Establishing the Mayor's Good Work Standard with employers as a key part of our dialogue with suppliers, encouraging them to join the scheme and requiring that all suppliers have fair terms of pay, including the London Living Wage, to the extent permitted by law.
- 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 improperly exploitative or unlawful. We will work with suppliers to ensure that our service requirements do not result in the inappropriate or exploitive use of 'zero hours' contracts for low paid, low skilled roles, or in any other employment practices that exploits people working in our supply chain.

³ The definitions required for the equality and diversity theme are below:

- The Department for Business, Innovation and Skills definition declares an SME to be a business with under 250 employees.
- The GLA Group defines a minority-led/diverse enterprise as a business which has a majority (51% or more) ownership, or a majority of their senior management team, comprising individuals from Black, Asian and minority ethnic groups, women, disabled people, lesbian, gay, bisexual, trans-person (LGBT) or faith groups.

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- Supporting our suppliers to provide safe and healthy workplaces for employees and supporting them in improving working conditions.

Enabling Skills, Training and Employment Opportunities

We will seek skills, training and employment opportunities by:

- A relevant focus in contracts on training and employment opportunities, including apprenticeships, training leading to qualifications, placement positions and engagement with schools and colleges.
- Addressing skills shortages in key industry sectors through 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.
- Working with our supply chain to address under-representation of diverse groups, including women, disabled people, younger and older people, LGBT 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 Ethical Sourcing Practices

We will promote ethical sourcing by:

- Adopting the nine provisions of the Ethical Trading Initiative's Base Code, or equivalent, as the standard we expect of our suppliers to support working conditions that are legal, fair and safe.
- Adopting a risk and opportunity based approach to identify contracts and areas of spend where there may be a high risk of poor working conditions, human rights abuses or negative impacts on security and crime. We will seek to improve transparency within the supply chain, and work with suppliers to improve any poor performance identified as part of a process of continuous improvement, reflecting existing and emerging legislation and guidance.
- Operating to appropriate animal welfare standards in the management of our own animals and ensuring our suppliers and their sub-contractors operate to these standards.

Improving Environmental Sustainability

We will work with suppliers to deliver a resource efficient and resilient city with high environmental quality, accelerating London's transition to a low carbon and circular economy⁴ by:

- Giving priority to circular procurement options and business models that maximise value from products and services for as long as possible, keep long term expenditure down, use sustainable materials, and reduce financial and asset disposal risks. We will encourage and trial materials innovation to keep materials in circulation for longer to reduce consumption of resources.
- Applying relevant environmental or sustainability standards to support delivery of target outcomes relating to climate change mitigation and energy, food, water, materials and waste, air quality, adaptation and biodiversity as a minimum. We will lead by example by working with suppliers to go beyond minimum requirements within Government Buying Standards (GBS) and EU Green Public Procurement criteria (GPP) where possible, for relevant product groups and services.
- Encouraging suppliers through selection processes to adopt processes and procedures to reduce their environmental impact. This includes certification to independent environmental accreditation schemes such as ISO14001, BES6001, others as relevant, including emerging standards, or their equivalent, where relevant and proportionate.
- Ensuring that the need to meet the Mayor's ambitious greenhouse gas and air pollution reduction targets are given appropriate priority in procurement decisions. We will identify opportunities for reducing emissions that contribute to climate change and poor air quality associated with purchases of products, works and services. This includes sourcing of low carbon energy wherever possible and phasing out the use of fossil fuels from our fleets, prioritising phase-out of diesel, and transitioning to zero or ultra-low emission vehicles.
- Applying whole life cost assessments of products and services in order to gain a better understanding of the full costs and benefits over the relevant lifetime.
- Encouraging the uptake of walking and cycling including by their employees, customers and suppliers, and working with suppliers to improve the safety of cyclists and walkers.

⁴ A circular economy is one that produces no waste or pollution by design or intention. It keeps products, parts and materials at their highest use and value at all times. It is a more efficient and environmentally sound alternative to the traditional linear economy in which we make, use and dispose of resources. More information about the circular economy business models and work led by the Mayor can be found at www.london.gov.uk.

Implementation

To ensure effective implementation of this policy we commit to:

- Developing a relevant and proportionate action plan for each GLA Group Functional Body, including relevant targets and KPIs that enable consistent monitoring and reporting of performance and good practice across the Group against this policy.
- Embedding relevant and proportionate responsible procurement requirements in our contracts.
- Communicating and reviewing this policy and its benefits across our Functional Bodies, our partners and through our supply chains, and working with national and international organisations and networks to share best practice and maintain the GLA Group's leadership role in responsible procurement within the UK and worldwide.
- Making appropriate financial and staff resources available, including a lead Mayoral Advisor /champion, 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 Responsible Procurement Forum is responsible for ensuring this policy is kept up to date, reflecting legislation, policy, intended outcomes and best practice lessons, and will review this policy every two years.

Greater London Authority
Transport for London
London Fire and Emergency Planning Authority
Mayor's Office for Policing and Crime
London Legacy Development Corporation
Old Oak and Park Royal Development Corporation
GLA Group Collaborative Procurement Board



Other formats and languages

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Chinese

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Hindi

यदि आप इस दस्तावेज की प्रति अपनी
भाषा में चाहते हैं, तो कृपया निम्नलिखित
नंबर पर फोन करें अथवा नीचे दिये गये
पते पर संपर्क करें

Vietnamese

Nếu bạn muốn có văn bản tài liệu
này bằng ngôn ngữ của mình, hãy
liên hệ theo số điện thoại hoặc địa
chỉ dưới đây.

Bengali

আপনি যদি আপনার ভাষায় এই দলিলের প্রতিলিপি
(কপি) চান, তা হলে নীচের ফোন নম্বরে
বা ঠিকানায় অনুগ্রহ করে যোগাযোগ করুন।

Greek

Αν θέλετε να αποκτήσετε αντίγραφο του παρόντος
εγγράφου στη δική σας γλώσσα, παρακαλείστε να
επικοινωνήσετε τηλεφωνικά στον αριθμό αυτό ή ταχυ-
δρομικά στην παρακάτω διεύθυνση.

Urdu

اگر آپ اس دستاویز کی نقل اپنی زبان میں
چاہتے ہیں، تو براہ کرم نیچے دئے گئے نمبر
پر فون کریں یا دیئے گئے پتے پر رابطہ کریں

Turkish

Bu belgenin kendi dilinizde
hazırlanmış bir nüshasını
edinmek için, lütfen aşağıdaki
telefon numarasını arayınız
veya adrese başvurunuz.

Arabic

إذا أردت نسخة من هذه الوثيقة بلغتك، يرجى
الاتصال برقم الهاتف أو مراسلة العنوان
أدناه

Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਦੀ ਕਾਪੀ ਤੁਹਾਡੀ ਆਪਣੀ ਭਾਸ਼ਾ
ਵਿਚ ਚਾਹੀਦੀ ਹੈ, ਤਾਂ ਹੇਠ ਲਿਖੇ ਨੰਬਰ 'ਤੇ ਫੋਨ ਕਰੋ ਜਾਂ ਹੇਠ
ਲਿਖੇ ਪਤੇ 'ਤੇ ਰਾਬਤਾ ਕਰੋ:

Gujarati

જો તમને આ દસ્તાવેજની નકલ તમારી ભાષામાં
જોઈતી હોય તો, કૃપા કરી આપેલ નંબર ઉપર
ફોન કરો અથવા નીચેના સરનામે સંપર્ક સાધો.

