

University of Gloucestershire

Procurement Manual

Section 1.4	Sustainable Procurement Strategy	Issue 1	22nd November 2006
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Amendment History

Issue 1

22/11/06 Initial release

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Preamble

Procurement of goods, services and works has a significant impact on the University's sustainable future and affects the environmental, social and financial aspects of the University. Sustainable procurement is about incorporating sustainability principles into procurement decisions by taking into account the environmental and social factors whilst still obtaining value for money.

The University has a long history of incorporating environmental criteria into its procurement decisions such as the purchase of "green" electricity which has been purchased since 1994 and is embedded into University policy. However there is a need to expand the principles into the wider aspects of procurement to meet the wider public sector agenda.

Aims

This strategy is a constituent part of the University's Sustainable Development Policy and the Procurement Strategy.

The University of Gloucestershire is committed to the responsible management of its procurement process in order to deliver value for money whilst actively pursuing environmental and socially responsible products, services and buildings.

Objectives

1. To increase awareness of sustainable procurement principles within the University.
2. To incorporate environmental and social criteria into its contracts as they go out to tender and are re-awarded.
3. To influence and work with the supply chain and HE sector bodies to achieve sustainable products, services and works.
4. To incorporate sustainable procurement principles when internal reviews or market testing of activities are undertaken.

Targets and implementation

<i>Objective</i>	<i>Target</i>	<i>Date</i>	<i>Action</i>	<i>Responsibility</i>	<i>Monitoring and review</i>
1	Flexible Framework (from the National Sustainable Action plan – Appendix A) Achieve level 1 Achieve level 3 and one level 5	April 2007 April 2009	Undertake a risk based analysis of procured products Develop sustainable procurement training programme	EMS team Procurement Manager	SDC and Sustainable Procurement Project
2	Review Environmental Guidelines	Annually	Update to SDC November 2006	EMS team	SDC
3	Incorporate sustainable technologies into new build or refurbishment projects as appropriate	Ongoing	Review on a project by project basis	Estates / Directorate / project teams	Executive / SDC
4	Develop the use of e- procurement	Ongoing	Expand the use of e-procurement techniques	Finance System team	Annual Procurement Report

The Flexible Framework

	Foundation Level 1	Embed Level 2	Practice Level 3	Enhance Level 4	Lead Level 5
People	<ul style="list-style-type: none"> - Sustainable procurement champion identified. - Key procurement staff have received basic training in sustainable procurement principles. - Sustainable procurement is included as part of a key employee induction programme. 	<ul style="list-style-type: none"> - All procurement staff have received basic training in sustainable procurement principles. - Key staff have received advanced training on sustainable procurement principles. 	<ul style="list-style-type: none"> - Targeted refresher training on latest sustainable procurement principles. - Performance objectives and appraisal include sustainable procurement factors. - Simple incentive programme in place. 	<ul style="list-style-type: none"> Sustainable procurement included in competencies and selection criteria. - Sustainable procurement is included as part of employee induction programme 	<ul style="list-style-type: none"> - Achievements are publicised and used to attract procurement professionals. - Internal and external awards for achievements are received. - Focus is on benefits achieved. - Good practice shared with other organisations.
Policy, Strategy & Communications	<ul style="list-style-type: none"> - Agree overarching sustainability objectives. - Simple sustainable procurement policy in place endorsed by CEO. - Communicate to staff and key suppliers. 	<ul style="list-style-type: none"> - Review and enhance sustainable procurement policy, in particular consider supplier engagement. - Ensure it is part of a wider Sustainable Development strategy. - Communicate to staff, suppliers and key stakeholders. 	<ul style="list-style-type: none"> - Augment the sustainable procurement policy into a strategy covering risk, process integration, marketing, supplier engagement, measurement and a review process. - Strategy endorsed by CEO. 	<ul style="list-style-type: none"> - Review and enhance the sustainable procurement strategy, in particular recognising the potential of new technologies. - Try to link strategy to EMS and include in overall corporate strategy. 	<ul style="list-style-type: none"> - Strategy is: reviewed regularly, externally scrutinised and directly linked to organisations' EMS. - Sustainable Procurement strategy recognised by political leaders and is communicated widely. - Detailed review

					undertaken to determine future priorities and new strategy produced beyond this framework.
Procurement Process	<ul style="list-style-type: none"> - Expenditure analysis undertaken and key sustainability impacts identified. - Key contracts start to include general sustainability criteria. - Contracts awarded on the basis of value-for-money, not lowest price. - Procurers adopt 'quick wins'. 	<ul style="list-style-type: none"> - Detailed expenditure analysis undertaken, key sustainability risks assessed and used for prioritisation. - Sustainability is considered at an early stage in the procurement process of most contracts. - Whole-life-cost analysis adopted. 	<ul style="list-style-type: none"> - All contracts are assessed for general sustainability risks and management actions identified. - Risks managed throughout all stages of the procurement process. - Targets to improve sustainability agreed with key suppliers. 	<ul style="list-style-type: none"> - Detailed sustainability risks assessed for high impact contracts. - Project /contract sustainability governance is in place. - A life-cycle approach to cost/impact assessment is applied. 	<ul style="list-style-type: none"> - Life-cycle analysis has been undertaken for key commodity areas. - Sustainability Key Performance Indicators agreed with key suppliers. - Progress is rewarded or penalised based on performance. - Barriers to sustainable procurement have been removed. - Best practice shared with other organisations.
Engaging Suppliers	<ul style="list-style-type: none"> - Key supplier spend analysis undertaken and high sustainability impact suppliers identified. 	<ul style="list-style-type: none"> - Detailed supplier spend analysis undertaken. - General programme of supplier 	<ul style="list-style-type: none"> - Targeted supplier engagement programme in place, promoting continual sustainability improvement. 	<ul style="list-style-type: none"> - Key suppliers targeted for intensive development. -Sustainability audits and supply chain 	<ul style="list-style-type: none"> - Suppliers recognised as essential to delivery of organisations' sustainable procurement strategy. - CEO engages with

	<ul style="list-style-type: none"> - Key suppliers targeted for engagement and views on procurement policy sought. 	<p>engagement initiated, with senior manager involvement.</p>	<ul style="list-style-type: none"> - Two-way communication between procurer and supplier - with incentives - exists. - Supply chains for key spend areas have been mapped. 	<p>improvement programmes in place.</p> <ul style="list-style-type: none"> - Achievements are formally recorded. - CEO involved in the supplier engagement programme. 	<p>suppliers.</p> <ul style="list-style-type: none"> - Best practice shared with other/peer organisations. - Suppliers recognise they must continually improve their sustainability profile to keep the business.
Measurements & Results	<ul style="list-style-type: none"> - Key sustainability impacts of procurement activity have been identified. 	<ul style="list-style-type: none"> - Detailed appraisal of the sustainability impacts of the procurement activity has been undertaken. - Measures implemented to manage the identified high risk impact areas. 	<ul style="list-style-type: none"> - Sustainability measures refined from general departmental measures to include individual procurers and are linked to development objectives. 	<ul style="list-style-type: none"> - Measures are integrated into a balanced score card approach reflecting both input and output. - Comparison is made with peer organisations. - Benefit statements have been produced. 	<ul style="list-style-type: none"> - Measures used to drive organisational sustainable development strategy direction. - Progress formally benchmarked with peer organisations. - Benefits from sustainable procurement are clearly evidenced. - Independent audit reports available in the public domain.