

Responsible Procurement Code

Sign Off History

| Version | Name | Title | Comment | Date of Sign Off |
|---------|------------------------------|-------------------------|-------------|------------------|
| V 1.0 | Vice Chancellors Group (VCG) | | New Version | April 20 |
| | George Charles | Chief Financial Officer | New Version | July 20 |
| | Anthony Oliver | Consultant | New Version | July 20 |

Table of Contents

- SIGN OFF HISTORY 2
- 1. INTRODUCTION 4
- 2. PROCUREMENT & COMMERCIAL SERVICES 4
- 3. COMMITMENT 5
 - 3.1. DELIVERING SOCIAL VALUE 5
 - 3.2. POLICY CONTEXT 5
- 4. IMPROVING ENVIRONMENTAL SUSTAINABILITY 6
- 5. PROMOTING ETHICAL SOURCING PRACTICES 7
- 6. ENCOURAGING EQUALITY, DIVERSITY AND INCLUSION..... 7
- 7. ACCESSIBILITY 8
- 8. IMPLEMENTATION 8

1. Introduction

In April 2020, the Vice Chancellor's Group (VCG) approved the University's Procurement Strategy and 'Responsible Procurement' forms part of the University's overall corporate social value strategy. At the University of Central Lancashire (UCLan) the process of identifying the added value through our purchasing activities is termed Responsible Procurement.

The University spends circa £100 million on goods, services and works per annum and therefore has a significant opportunity to leverage its supply chain to deliver additional benefits to the University's students, local residents, businesses and communities. This opportunity is realised by paying careful attention to how goods, services or works will be delivered, who may be delivering and what suppliers can do to deliver added value where it will make the biggest impact for the University and its communities.

For all contracts with a total contract value of more than £150,000 the University requires a minimum of 5% of the total weighting of the tender evaluation score to be allocated for Responsible Procurement. This will be derived from the Quality section of the evaluation and will include social, economic and environmental characteristics (example: Quality has 40% overall weighting Social Value will be 5% of that weighting allowing 35% for other quality evaluation criteria).

2. Procurement & Commercial Services

Procurement & Commercial Services provide strategic leadership, strategic sourcing, policy and governance setting for all sourcing activity with an aggregated value over £50,000 and manage key strategic supplier relationships. Procurement & Commercial Services is accountable for Responsible Procurement and delivering the commitments the University has made in this Code.

Procurement & Commercial Services Mission is to **"Unlock Value"**.

Our **Vision** is to create **"a centre of excellence for unlocking value"** which is delivered through four key goals;

| | | |
|----------|--------------------|--|
| V | Value | by delivering value for money services we will strengthen the University's financial stability |
| I | Innovate | by leading and driving change, we will enable the University to build its procurement operating model so that we become more efficient and more effective. |
| C | Commercial | by delivering the best outcomes across the University whilst maximising commercial opportunities. |
| C | Collaborate | by working together with our key stakeholders, to deliver the best outcomes by listening to others, challenging each other constructively and respecting each other's point of view. |

3. Commitment

The University ensure that decisions taken by the University on the procurement of goods, works or services are undertaken in line with our commitments set out in this Code under the following themes:

- a) Delivering social value
- b) Improving environmental sustainability
- c) Promoting ethical sourcing practices
- d) Encouraging equality, diversity and inclusion
- e) Accessibility

3.1. Delivering Social Value

The Public Services (Social Value) Act 2012 states:

"If a relevant authority proposes to procure or make arrangements for procuring the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of works...the authority must consider how what is proposed to be procured might improve the **economic, social and environmental well-being** of the relevant area and, in conducting the process of procurement, how it might act with a view to securing that improvement."

For the purposes of this Code we refer to this improvement of wellbeing as social value. In order to implement this, we seek measurable, verifiable social value outcomes that:

- (i) are relevant to what is to be procured;
- (ii) proportionate to the contract value; and
- (iii) can legitimately be included in contract.

3.2. Policy Context

The social value outcomes set out in this section are the priority areas the University has identified as best able to support the University, its students, local residents, businesses and communities.

Opportunity; We know employment has many benefits - from **creating** life chances to the related physical and mental health consequences of being employed. We want suppliers to take a part in helping;

- a) UCLan students to develop skills to support their personal development and employment when they leave education; and
- b) Local unemployed residents back into meaningful employment.

Locality; demonstrating visible commitment to the University's local neighbourhood by volunteering time or skills to support local voluntary groups in making local neighbourhoods thriving places

Environment; making a difference to the University and the local community by making a positive contribution to a healthier environment.

While the Public Services (Social Value) Act 2012 only requires relevant authorities to consider social value in service contracts (and goods or works contracts where there is a services element), the University will also apply the approach to goods and works contracts with a total contract value over £150,000.

The University will consider how what is proposed to be procured can improve the economic, social and environmental wellbeing of the University and our surrounding communities.

The University will routinely consider social value outcomes available from the procurement of goods, works and services and asset disposal in all contracts over £150,000, as well as at lower levels where specific opportunities exist.

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

4. Improving Environmental Sustainability

The University recognises that procurement decisions can have major socio-economic and environmental implications, both locally and globally, now and for the future generation. We will work with suppliers to deliver a resource efficient and resilient University with high environmental quality by:

- Giving priority to circular procurement options and business models that maximise value from products and services for as long as possible, keeping long-term expenditure down, using sustainable materials, and reducing financial and asset disposal risks.
- Ensuring all procurements conducted by the University and by those contracted by the University to act on their behalf will do so following the Government Buying Standards 'Mandatory' criteria¹ where possible.
- Encouraging suppliers to adopt processes and procedures to reduce their environmental impact. This includes certification to independent environmental accreditation schemes such as ISO14001, BES6001 and other new and existing standards, where relevant and proportionate.
- 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.
- Developing more sustainable approaches to food provision that consider the impact on the community, the environment and the local/regional economy of the way food is produced, processed and distributed, and by reducing food waste.

¹ The product specifications set out in the Government Buying Standards are aimed primarily at public sector organisations procuring goods or services. This forms part of sustainable procurement - the process whereby organisations meet their needs for goods, services, works and utilities in a way that benefits not only the organisation, but also society and the economy, while minimising damage to the environment.

- Stimulating innovation and ongoing research and development activities in the supply chain to drive value for money and positive viable, sustainable options for goods, works and services in the future.

5. Promoting ethical sourcing practices

Ethics originates from philosophy and refers to common principles associated with appropriate and inappropriate actions, moral duty and behaviour. In a business context, ethics refers to the use of recognised social principles that involve justice and fairness throughout the business relationship and being ethical means following a behaviour perceived as fair by the business community and wider society. For example, being ethical means treating suppliers in a just, fair, honest and fitting manner and preferential treatment or personal buying can be considered unethical. (Chartered Institute of Procurement & Supply)

The University will promote ethical sourcing by:

- 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.
- Seeking to improve transparency within the supply chain and working with suppliers to improve any poor performance identified as part of a process of continuous improvement, reflecting existing and emerging legislation and guidance.
- Recognising that ethical behaviour is everyone's responsibility working throughout the organisation.
- Promoting the University's Anti-Bribery & Corruption Policy, Code of Conduct and Conflict & Declaration of Interest Policy.
- Requiring suppliers to commit to not breaching modern slavery legislation and monitoring and managing this in the supply chain.

6. Encouraging equality, diversity and inclusion

The University will encourage equality, diversity and inclusion by:

- Ensuring that where possible barriers in our procurement approaches and processes are removed where they inhibit Small to Medium Enterprises (SMEs), community sector organisations, diverse enterprises and under-represented groups from easily entering our supply chain. We will ensure that we treat both suppliers and prospective suppliers to the University equally and without discrimination and shall always act in a transparent and proportionate manner.
- By paying our suppliers promptly and paying SME;
 - within the terms agreed at the outset of the contract
 - without attempting to change payment terms retrospectively
 - without changing practice on length of payment for smaller companies on unreasonable grounds
- Reviewing our requirements to ensure the goods and services we buy support diversity and inclusion within our own workforce.

7. Accessibility

The University will comply with accessibility in the development of websites and mobile applications by;

- Considering:
 - The Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018
 - The Web Content Accessibility Guidelines (WCAG) 2 when developing web content
 - The EN 301 549 European Standard in Procurement when specifying the Functional Accessibility Requirements applicable to ICT products and services
- Reviewing our requirements to ensure the technology we buy supports accessibility for both our workforce and students.

8. Implementation

To ensure effective implementation of the Responsible Procurement Code, the University will commit to;

- The Responsible Procurement Delivery Plan² as the means for delivering the University's social value outcomes and the priority areas the University has identified under the headings; Opportunity, Locality and Environment.
- Engaging with our suppliers to identify opportunities that can be realised from Responsible Procurement and providing support and guidance to help them comply with the University's Responsible Procurement Code.
- Communicate and guide internal staff in the delivery of Responsible Procurement.
- Inform suppliers and other external stakeholders of the University's commitment to Responsible Procurement.
- To regularly review the Responsible Procurement Code, Responsible Procurement Delivery Plan and associated University policies and UK legislation and regulations as part of the University's commitment to continuous improvement.

Procurement & Commercial Services is responsible for implementing the Responsible Procurement Code.

² The Responsible Procurement Delivery Plan sets out the priority areas that the University of Central Lancashire has identified as best able to support the University, its students, local residents, businesses and communities. The Responsible Procurement Delivery Plan is published with all procurements over £150,000.