

ESFRS Manual Note

Responsible Procurement (RP) Policy

document control

Responsible Director	Role of responsible Manager	Name of Author	Sig for CFO/CE	Sig for RB	Issue Date Dec 2020
AD Resources/ Treasurer	Procurement Manager	C George			Review Date Dec 2024

Related documents	
Standing Orders (Procurement) Social Value Act 2012 Modern Slavery Act 2015 Public Contracts Regulations 2015 The Equality Act 2010 Fire & Rescue Service Equality & Diversity Strategy 2008-2018 Health & Safety at Work Act 1974 Human Rights Act 1998 Gender Pay Gap Regulation 2017 Code of Conduct and Conflict of Interest Bribery Act 2010 LGA Climate Emergency – Fire and Rescue Services 2020	

Related manuals	

ESFRS Manual Note

CPS02_ 11_V1 - Page No.2

HR02 01 Dignity & Respect Policy

CPS06 02 Corporate Business Risk Management

CPS06 11 Anti- Fraud, Bribery and Corruption Policy

CPS06 12 Anti- Money Laundering

CPS06 13 Whistleblowing

CPS06 Local Code of Corporate Governance

ESFRS Manual Note

Index

1	Summary	4
2	Policy.....	6
3	Procedure.....	11
4	Appendices	14

summary

1 Summary

- 1.1 Responsible Procurement is the act of procuring goods, services, or works in a manner that is considerate of the impact, both positive and negative, that the Authority may have on the environment, the economy, our community and society in general.
- 1.2 The Public Services (Social Value) Act 2012 initiated the drive to embed understanding of these impacts with Public Sector commissioning and requires commissioners and procurers at the pre-procurement stage, to consider how the proposed procurement exercise may improve social, environmental and economic wellbeing of the relevant area and how they can secure wider social benefits
- 1.3 It is also a statutory requirement for public authorities to have regard to economic, social and environmental wellbeing in connection with public contracts and framework agreements for services (excluding call-offs) subject to the Public Contracts Regulations 2015.
- 1.4 The Social Value Act requires that, ahead of any procurement process, at the pre-planning stage, Authorities consider:
 - How what is proposed to be procured may improve the economic, social and environmental wellbeing of the our area (i.e. the area consisting of the area or areas of the one or more authorities on whose behalf a public services contract is)
 - How the contracting authority may act with a view to securing that improvement in conducting the process of procurement.
- 1.5 Before commencing the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could negatively impact or secure benefits for their area or stakeholders

ESFRS Manual Note

summary

- 1.6 This generally means giving consideration to whole life costs (for example including running costs and disposal costs), improving outcomes, meeting users' needs, delivering long term value for money, minimising safeguarding risks, creating an equal and diverse supply chain, reducing our energy usage, minimising damage to our environment and creating positive impacts where possible.
- 1.7 The purpose of this policy and the associated procedure is:
- To provide a framework to ensure that responsible procurement considerations are applied throughout our commissioning and procurement activities;
 - To support the Authority's wider commitments and values;
 - To ensure compliance with relevant legislation.
- 1.8 Responsible Procurement spans a range of different topics, each important and complex in its own right. Where appropriate, other elements may also be considered, where they fit within the broad definition of Responsible Procurement.
- 1.9 This policy sets out the general principles that the Authority will follow across all of its procurement and commissioning activities, to consider our impact relating to Social Value, Ethical Sourcing and Environmental Sustainability.
- 1.10 Implementing Responsible Procurement will support our commitment to making our community safer. We will continue to work with and support organisations that help us to increase social value and safeguard vulnerable people in our communities.

2 Policy

2.1 Statement of Intent

The Authority spends circa £11m pounds on the procurement of goods, services and works annually. This policy aims to support our collective responsibility to limit any negative impact and promote the Authority's commitment to deliver responsible and sustainable outcomes in the management and delivery of all its services, through affordable economic, social and environmental objectives, across three primary areas.

1. Social Value
2. Ethical Sourcing
3. Environmental Sustainability

2.2 It is our aim to promote responsible procurement considerations throughout our supply base and attract suppliers who are committed to delivering goods and services which minimise negative impacts and deliver outcomes which add to the economic, social and environmental wellbeing of our area and society in general.

2.3 The aim of this policy is to set out the Authorities priorities for achieving responsible outcomes through its procurement activities.

2.4 This policy will be periodically reviewed in line with the objectives of the Authority and any changes in relevant legislation.

3 Social Value

3.1 The Authority is required, before commencing a procurement process, to consider how the economic, social and environmental well-being of the local area may be improved through the procurement of its services as part of the Public Services (Social Value) Act 2012.

3.2 The aim of the Act is not to alter the procurement processes but to ensure that, as part of these processes, the Authority gives consideration to the wider impact of the delivery and disposal of the goods and services, for example; to choose a supplier

appendices

under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community.

3.3 The Act does not define what is meant by 'social value' but it can be defined as a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

3.4 Social Value considerations include:

- Safeguarding health and safety;
- Combatting social exclusion;
- Work related opportunities, employability and apprenticeships;
- Offering time and skills to social enterprises and voluntary and community sector organisations;
- Equality, diversity and inclusion;
- Paying or working towards paying the Living Wage;
- Eroding barriers to procuring the services of voluntary and community sector organisations and small, medium enterprises;
- Supporting local supply chain opportunities;
- The number of residents (FTE) from a defined locality employed directly or through the supply chain as a result of any given contract;
- Total amount (£) spent in local supply chain throughout the life of the contract

3.5 The Equalities and Diversity Act 2010 legally protects people from discrimination in the workplace and in wider society. The Act clarifies and strengthens previous requirements to promote equality through all public sector functions and gives a greater focus on increasing transparency. The way in which public money is spent, can

appendices

be utilised to mobilise, influence and cascade awareness of equalities issues down into society as a whole.

- 3.6 The Public Sector Equality Duty (PSED) came into force across the UK on 5 April 2011 and is contained within section 149 of the Equality Act 2010. It means that public bodies have to consider all individuals when carrying out their day to day work in shaping policy, in delivering services and in relation to their own employees.
- 3.7 When conducting our procurement activities, we must ensure that we meet our legal obligations under the Equality Act 2010 and its associated PSED in a way that is consistent with the Government's value for money policy and relevant public procurement law.
- 3.8 The extent to which equality can be reflected in the procurement process varies depending on both the degree of relevance of equality to the individual procurement. Importantly, our duty cannot be discharged so we must ensure that contractors comply with the legislation, particularly where they perform any of our functions on our behalf.
- 3.9 For Equality and Diversity to be embedded within our supply chain, we will:
- Ensure equality factors are considered in procurement activities from the outset, as with all responsible procurement considerations
 - Consider equality-related contract conditions where they relate to the performance of the contract
 - Include proportionate equality-related award criteria in the tendering process
 - Include equalities issues and reviews in performance monitoring during the life of the contract/framework

4 Ethical Sourcing

4.1 While the primary goal is to ensure that products/goods and services are produced and delivered ethically, responsibility extends beyond the act of sourcing goods and services. It also includes the processes of evaluating and engaging with a supply market through to managing relationships with suppliers.

4.2 Ethics in procurement can relate to a wide range of issues from supplier business procedures and practices to corruption. Common areas that relate to ethical behaviour in procurement include fair-trade, ethical trading, ethical sourcing, social accountability, social auditing, corporate social responsibility and buyer and supplier codes of conduct.

4.3 Ethical considerations within our supply chain include:

- Human and labour rights
- Legal and fair employment practices
- Fair trade
- Supply chain employees are working legally and receive fair remuneration
- Guarding against bribery and corruption
- Promotion of social inclusion, equality and diversity

4.4 The Modern Slavery Act 2015 requires organisations with a turnover exceeding £36m, and which supply goods and services in the UK, to publish an annual statement explaining what they are doing to eliminate slavery from their businesses and supply chains.

4.5 There are many types of slavery which include, but are not limited to:

- Domestic exploitation;
- Labour exploitation;

- Organ harvesting;
- EU Status exploitation;
- Financial exploitation

These crimes exist across the world, including the UK. They can occur in any business sector, including those in public body supply chains.

- 4.6 The Authority is committed to ensuring that modern slavery risks will be considered throughout the procurement process and supplier management and that our activities will not encourage or support slavery or human trafficking within our supply chains.
- 4.7 Any applicable organisation that works with the Authority (i.e. partnerships and suppliers), are expected to understand and comply with the requirements set out in the legislation. In addition, suppliers will also be expected to carry out checks on their subcontractors to ensure there is no slavery or human trafficking in the supply chain.
- 4.8 The Authority recognises its legal duties under Section 43 of The Modern Slavery Act 2015, which states that specified public authorities (including Council's and Fire and Rescue Services) have a duty to cooperate with the Independent Anti-Slavery Commissioner.

5 Environmental Sustainability

- 5.1 The Government has committed to achieving net zero greenhouse gas emissions by 2050. It is clear that we all have a part to play if we are going to achieve this national target locally.
- 5.2 Environmental sustainability must be embedded into our procurement activities to support our wider objectives and aim to reduce consumption wherever possible. We will work with suppliers to minimise damage to the environment and reduce the

appendices

environmental impact of the goods and services they deliver for us and reduce our supply chains exposure to environmental risks.

5.3 Environmental factors are key to understanding the whole-life costings, accounting for the costs of energy consumption, recycling and climate change mitigation.

5.4 As with all Responsible Procurement elements, environmental factors should be considered from the outset and at all stages of the procurement process, from stakeholder consultation, early market engagement, through to product specifications, evaluation criteria and environmental performance outcomes.

5.5 Environmental considerations include:

- minimising carbon emissions and the carbon foot print of goods services and suppliers delivery methodology
- the most efficient and effective use of energy and materials
- reducing overall waste production
- whole life costing including disposal, in the evaluation of price
- suppliers' environmental credentials
- opportunities for the reduction, reuse and recycling of materials
- the costs and benefits of environmentally preferable products and service alternatives
- the use of new technology where it has sustainable benefits
- the reduction of energy and water usage
- renewable energy
- materials, products and services with the greatest circular-economy benefits
- impact on biodiversity

6 Procedure

6.1 The policy will be applied at the point of commissioning and before commencing a procurement exercise, to include:

appendices

1. at the point of need identification
2. when reviewing service provision
3. conducting a needs analysis
4. consulting with stakeholders and the marketplace
5. specifying the goods and services to be procured
6. exploring opportunities to encourage local or SME and voluntary and diverse businesses.

6.2 It will be the joint responsibility of the Responsible Officer in the key buying area and the relevant Category Specialist to consider and determine, on a contract by contract basis, the responsible outcomes to be included. The following approach will be adopted for all considerations outlined under this policy:

1. Understand the relative impact of each element of RP to each contract;
2. Include relevant RP outcomes within the contract specification and terms and conditions;
3. Include relevant RP evaluation criteria with appropriate weighting within the supplier selection process;
4. Manage and measure RP objectives throughout the life the contract.

6.3 The policy covers all areas of commissioning and procurement within the Authority and will influence the way we procure all goods, works and services. For procurements below £50,000, Procurement will have regard to the resources available to smaller providers who may bid for lower value contracts. Requirements set will apply to sub-contractors.

6.4 It includes local and global impacts, and applies to the procurement of goods, works and services including use, refurbishment and decommissioning of goods and materials as applicable

6.5 The Authority will use existing governance arrangements and procurement

appendices

processes to ensure the delivery of Responsible Procurement. This policy will be periodically reviewed in line with the objectives of the Authority and any relevant legislation.

- 6.6 The indicative questions provided within Appendix A are not an exhaustive list and additional/alternative questions will be considered where relevant and proportionate to the procurement. Ongoing monitoring and reporting arrangements agreed with suppliers will be used to capture key performance indicators.
- 6.7 Modern Slavery Act 2015 - while it is impractical for the Authority to audit and monitor each and every supplier in its entire supply chain, and at all levels, we will adopt a risk based approach to identify contracts and areas of spend where there may be a high risk of poor working conditions, human rights abuses or ethical impacts (see Appendix C).
- 6.8 As part of our supplier selection process and ongoing contract management activities, we will:
1. Require applicable suppliers to certify that they comply with the Modern Slavery Act
 2. Where sub-contractors are being used, require the main contractor to carry out checks on their sub-contractors;
 3. Ensure all new contracts include provisions to ensure compliance and to enable the Authority to take action where necessary;
 4. Actively encourage our suppliers to produce a compliant Modern Slavery Statement and review suppliers statements on an annual basis;
 5. Encourage whistleblowing to identify breaches of policy and contractual provisions and make sure potential whistle-blowers are protected;
 6. Determine if compliance is being adhered to by auditing key suppliers.

7 Appendices

Appendix A – Responsible Procurement Questions*

*Measures and indicators will be applied relevant to the contract and proportionate to the size of the organisation. This list is not intended to be exhaustive – questions will be defined according to contract scope and size.

Responsible Procurement Questions

Social Value

1. How will you support the creation of jobs through the growth of business and investment (in the Authorities area)?
2. How will you support the recruitment of people (from the Authority's area)?
3. How will you help more residents improve their employment prospects (within the Authority's area)?
4. How will you support (local people) to gain access to the employment opportunities that your contract will produce?
5. How will you target specific priority (Not in Education, Employment or Training), hard to reach and under-represented groups?
6. What work experience will you provide and how will this be achieved?
7. What work placement schemes and opportunities will you provide for apprenticeships, trainees and others?
8. What training opportunities will you offer and to whom?
9. How will you support and promote business safety and fire safety legislation information?
10. What education engagement will you offer?
11. What support will be provided to the Authority's local supply chain through this contract?

ESFRS Manual Note

appendices

12. How will your organisation work to help others? E.g. local charities, local community groups, local resident engagement, supporting local culture and heritage? This could include funding specific events and groups, sponsorship or sharing expertise, knowledge or facilities and equipment.
13. Provide a written equality policy which covers: recruitment, selection, training and promotion.
14. Total amount (£) spent in the local supply chain through the contract
15. No. of residents (FTE) from a defined locality employed directly or through the supply chain as a result of any given contract
16. No. of apprenticeship scheme work placements
Ethical
1. How will you support and promote the safeguarding and welfare of children, young people and vulnerable adults?
2. How will you consider equality and diversity in the provision and operation of services?
3. How will you work towards improving the health and wellbeing of the Authorities local residents and employees?
4. How will your supply chain ensure ethical considerations?
5. How do you ensure producers in developing countries are paid a fair price for their commodities, receive fair wages and have decent working conditions?
6. How will you support the sustainable wellbeing of your employees in the delivery of this contract?
7. No. of people employed in the supply chain to identify and manage the risk of modern slavery occurring in the supply chain, in relation to the contract
8. % of invoices on the contract paid within 30 days
Environmental
1. What are the main environmental impacts associated with delivering the contract outputs and how will impacts be reduced, managed and verified?

ESFRS Manual Note

appendices

<p>2. Have you set any specific environmental objectives to improve environmental performance for the duration of this contract? If so what are they and how will environmental objectives be managed and verified?</p>
<p>3. Please confirm what will be delivered, as part of contract delivery, in relation to any of the following and how will this be achieved:</p>
<ul style="list-style-type: none">a. Reuse of resourcesb. Increasing recycling levels to reduce the amount of wastec. Use of environmentally friendly goodsd. Reducing the carbon footprinte. Pollution reductionf. Improving fuel and energy efficiencies
<p>4. Will you operate an environmental management system certified to ISO 14001 or equivalent throughout the period of the contract?</p>
<p>General</p>
<p>Please detail what your Social Value offer will be in relation to this contract and how it will be of benefit to the surrounding area and the residents. This could include social, economic or environmental well-being or benefits and should demonstrate value to be delivered in addition to the requirements of the specification.</p>
<p>Please detail how you will contribute to Social Value and the Authority's Responsible Procurement Policy, to demonstrate social, economic and / or environmental well-being or benefits and sustainability, taking into account the length of the contract.</p>

Appendix B – Typical organisational indicators to review and measure policy outcomes

Objective	Indicators	Unit
Social Value		
Supporting sustainable & viable jobs	Number of suppliers paying a living wage or progressing towards a living wage policy. No zero hour contracts.	% of supply base
Supporting young people and hard to reach groups on apprenticeships or on the job training	No. of suppliers operating apprenticeship scheme work placements. No. of apprenticeship scheme work placements.	% of supply base
Supporting local job opportunities	Number of local and diverse suppliers used within the supply chain. No. of apprenticeship placements	% of supply base No. of people
Supporting local people to maximise knowledge and skills for employment	Number of local suppliers and supply chain providing training schemes, development of skills, adult learning and employment	% of supply base
Supporting safe businesses	Number of suppliers within the supply chain with business/fire safety legislation	% of supply base
Improving and promoting the safety & wellbeing of local residents and hard to reach groups	Indicators will be in individual contract requirements	Text
Improving & promoting the welfare of children, young people and vulnerable adults	Indicators based on individual requirements Funds raised for local charity initiatives	Text £
Written equality policy		Required
Ethical Sourcing		
Encouraging ethical & fair trade purchasing	Number of suppliers with fair trade practices	% of supply base
Modern Slavery	Modern Slavery Statement (over £36m turnover)	Required
Supplier commitment	No. of people employed in the supply chain to identify and manage the risk of modern slavery occurring in the supply chain, in relation to the contract	No. of people
Supporting sub- contractors	% of invoices on the contract paid within 30 days	%
Compliance with ethical requirements	No. of suppliers terminated for ethical breach	% of supply base
Sustainable Environment		
Promoting initiatives which retain, protect or enhance the local area	Indicators based on individual service requirements:	Text
Reducing carbon emissions through energy and fuel consumption	Reduced carbon footprint of suppliers.	Tonnes CO2
Reduced consumption of raw material, reused materials, repair and recycled & elimination of single use plastic		Text

Appendix C – Determining Modern Slavery & Ethical Risk based on:
Sector/Product, Typical Production Countries/Regions & Specific Risks

Risk for Sector	Sector/Product	Typical Production Countries/Regions	Specific Risks
High	Electronics	Southeast Asia, United States, Latin America and Europe, with components sourced globally	Low pay, excessive working hours; use of conflict minerals; child and forced labour
High	Textiles	India, Bangladesh, Eastern Europe, Middle East	Low pay; excessive working hours; health risks to workers (e.g. exposure to adhesives, fire hazards); child and forced labour
High	Construction	China, India, Turkey, Iran, Italy	Unsafe working practices; low pay; environmental risks
Medium	Food and drink (esp. tea, coffee and palm oil)	UK, Ireland, continental Europe, Africa, Asia, Middle East, Latin America	Low wages; bonded labour; slave labour in fishing; unsustainable production methods; health risks to workers (e.g. pesticide exposure); health risks to consumers (food safety); animal welfare

Medium	Cleaning products	Europe	Environmental risks in production; health and safety in production and for users; animal testing
Medium	Timber products	Southeast Asia, Africa, Latin America, Eastern Europe	Illegal/unsustainable forestry; unsafe working practices.