

London Universities Purchasing Consortium

Responsible Procurement Policy

Version 1.0
June 2017

1. Introduction

London Universities Purchasing Consortium (LUPC) is a non-profit, collaborative procurement organisation owned by its Members, for its Members. Its sole aim is to secure for its Members the very best possible value from the acquisition of goods and services, without causing harm to others. Being Member-owned and –led, LUPC wants to promote values that reflect those of its Membership.

2. What is Responsible Procurement?

Responsible Procurement:

- a. seeks to build on and expand the scope of ‘ethical’ and ‘sustainable’ procurement to include environmental, economic, and social issues and their risks and benefits;
- b. includes a range of considerations of equal or greater importance than profitability and the generation of value;
- c. includes purchasing that minimises carbon emissions causing climate change, challenging the systems and industries driving it;
- d. identifies, prevents and mitigates the risks of human rights abuses in the supply chain, including forced labour, child labour and human trafficking; and
- e. recognises that these considerations are interconnected, and must be approached in their totality, with a sensitivity to that.

3. Vision

One of the six key objectives in LUPC’s corporate strategy for 2015-18, *Reaching New Heights*, is to “become a leader in making ethical trading and sustainability available to our Members.” It states:

“We want to be a leader in providing support for ethical trading and sustainability, reflecting the values of our Members.”

4. LUPC’s Responsible Procurement Policy

It is LUPC’s Policy that:

- a. LUPC is committed to Responsible Procurement, as it is defined in this Policy, and aims to become a leader in Responsible Procurement, in line with our corporate strategy;

- b. LUPC is committed to meeting the requirements of the UN Guiding Principles on Business and Human Rights, the UNICEF Children’s Rights and Business Principles, the Social Value Act 2012 and Modern Slavery Act 2015 within its sphere of operations;
- c. LUPC embeds Responsible Procurement practice into every step of its procurement process and contracts with suppliers that commit to compliance with the Sustain Supply Chain Code of Conduct, as set out at Appendix A;
- d. LUPC demonstrates its values as a Responsible Procurement organisation by engaging in a planned programme of Responsible Procurement activity, as set out in LUPC’s strategy at Appendix B;
- e. LUPC will inspire others in the sector and beyond to practice Responsible Procurement and to work collaboratively and share knowledge with Members, suppliers and other purchasing consortia in the pursuit of its Responsible Procurement goals;
- f. The ‘golden thread’ of Responsible Procurement can be followed from LUPC’s corporate strategy, through this Policy and LUPC’s Responsible Procurement Strategy to its embodiment in its procurement activities and individual staff objectives; and
- g. This Policy is at the heart of all of LUPC’s procurement activity and is applied in a fair, open and transparent manner such that its Members, suppliers, staff, students, customers and workers in LUPC’s global supply chains all benefit from the impact of this Policy.

5. Governance

LUPC’s Responsible Procurement Policy has been developed by LUPC’s Responsible Procurement Advisory Group, endorsed by the LUPC Executive Committee and approved by the LUPC Board at its meeting on 9 June 2017.

The Advisory Group will oversee the development, implementation enactment and improvement of this Policy. Its terms of reference are set out at Appendix C.

6. Implementation and Communication

LUPC’s Director is responsible for implementing this Policy, which will be embedded in everything LUPC does and will form a vital part of LUPC’s culture and ethos. All LUPC staff will be given awareness and regular refresher training on the Policy and its requirements. All new staff members will be trained as part of LUPC’s staff induction process.

LUPC is keen to communicate and promote this Policy in order to convey the importance of these values to Members, staff, suppliers and other stakeholders, including finance directors, HEPA and NUS. The Policy will be posted on LUPC’s website in a prominent place with a direct link from the homepage.

7. Frequency of Review

This Policy will be reviewed regularly and, as appropriate material changes will be discussed with the Advisory Group and then submitted to LUPC’s Executive Committee and Board for approval and onward promulgation. At the least, it will be formally reviewed on an annual basis.

Dr Andrew Young, Chair, LUPC



Sustain Supply Chain Code of Conduct



APUC and LUPC are committed to carrying out procurement activities in an environmentally, socially, ethically and economically responsible manner and to entering into agreements and contracts with suppliers that share and adhere to its vision. To demonstrate this commitment, current and potential suppliers are asked to acknowledge their compliance with the principles of the Sustain Supply Chain Code of Conduct, below, with respect to their organisation and their supply chain.

With respect to **Social Compliance** Suppliers shall:

Not use forced, involuntary or underage labour

- Employees should be free to choose their employment and leave that employment without hold by financial deposit or personal items.
- Forced, bonded or involuntary prison labour shall not be used.
- Support the effective abolition of child labour.
- Comply with the national minimum age for employment, or minimum age 15, whichever is the higher unless a lower local minimum age is permitted under International Labour Organisation (ILO) convention 138.
- Where any child is found to be engaged in or performing child labour, to provide support for that child to enable them to complete, as a minimum, their compulsory education (even if they shall cease to be involved in child labour), or an equivalent education level, as provided for under the UN Covenant on Economic, Social and Cultural Rights. Such support by the supplier should recognise and not prove detrimental to the conditions of the child or those that their work supports.

Provide suitable working conditions and terms

- At least statutory minimum wages (or if none, a realistic living wage) must be paid without discrimination to all employees and all non-statutory deductions must be with the consent of the employee.
- Working hours must not be excessive (not over 48 hours per week, excluding overtime) and must allow for at least 1 day off for each 7 day period on average. Working beyond this should be non-regular and of employees own will.
- A safe and hygienic working environment must be provided, including any catering or accommodation areas. Any hazardous working, as defined by ILO, should only be carried out by persons aged 18 years or over.
- All equipment must be safe for use and processes must allow a safe working environment.
- Policies and processes must be in place for recording and eliminating occurrence/reoccurrence of health and safety related incidents.

Treat employees fairly

- Allow employees the freedom of association to join (but not be forced to join), or be represented by, a trade union or similar organisation of their choice, and be free to leave such organisations.
- Not discriminate or unfairly treat any employee for any reason including education, social class / caste, nationality, trade union membership or any of the 9 Protected Characteristics of the UK Equality Act 2010.
- Provide a workplace free from discrimination, harassment or victimisation.

- Treat all employees with respect and dignity, and not accept inequality as justifiable on a basis of culture.
- Remunerate all employees equally at the same employment grade, regardless of any characteristics listed above, unless statutory conditions require otherwise.

With respect to Ethical Compliance & Economic Development Suppliers shall:

- As a minimum, comply with all laws and regulations of the countries they are working in, manufacturing in or trading with, as applicable.
- Not be involved in any way with acts of corruption or bribery, or support acts of violence or terrorism or abuse of individual people or communities.
- Not force unsustainable or unfair contract terms on their suppliers, or throughout their supply chain, nor allow unfair exploitation of a dominant market or customer position.
- Support fair trade conditions for producers, where applicable.
- As a minimum, comply with all financial regulations and taxations of the countries they are working in, manufacturing in or trading with, as applicable.
- Include community benefit delivery in the locality of where the contract is performed (including publishing and delivering levels of local training and employment opportunities etc.).
- Appoint sub-contractors through an open and fair process such as public advertising of such opportunities wherever possible.
- Act at all times with respect and integrity, including open and transparent accounting.
- Allow staff protection if reporting misconduct or raising concerns with respect to their own, or another organisation, and ensure all affected staff are treated in a fair and transparent manner.

With respect to Environmental Compliance Suppliers shall:

- As a minimum, comply with all local and national environmental laws, regulations and directives of the countries they are working in, manufacturing in or trading with, as applicable.
- Actively avoid causing environmental damage and/or negative environmental impact through manufacture and supply of the goods or services and disposal of supply chain waste.
- Have a business plan in place, and be acting on it, to minimise their environmental impact year on year and adopting or working towards internationally recognised environmental standards and/or behaviours.
- Encourage the development and use of environmentally friendly technologies.
- Promote positive environmental impacts (such as reduced carbon emissions, better carbon management, waste management and water management, reduced pollution levels and technological improvements) through their activities wherever possible.

Supplier Commitment

I, the undersigned, acting as a representative of the Company, hereby confirm that the Company adheres to the SUSTAIN Code of Conduct and shall ensure its supply chain adheres to the Code of Conduct also, in order to enforce and promote sound social, ethical, environmental and economic practices.

Signed.....

Position.....

Company.....

Date.....

For information about Sustain, follow <http://apuc-scot.ac.uk/#!/susproject.php>

London Universities Purchasing Consortium

Responsible Procurement Strategy 2017-20

June 2017

1. Introduction

This Strategy sets out how LUPC will implement its Responsible Procurement Policy through a Responsible Procurement programme during the period 2017-20. It consists of a set of principles that LUPC will adopt in its approach to Responsible Procurement, together with a series of projects.

Delivery of LUPC's Responsible Procurement programme will be driven and overseen by a Responsible Procurement Advisory Group (RPAG), comprised of procurement professionals, sustainability managers and student stakeholders from across LUPC's membership, whose Terms of Reference are set out at Appendix C.

Each year, RPAG will receive and approve an annual Responsible Procurement Report, incorporating LUPC's annual Statement on Slavery and Human Trafficking, for approval by the Executive Committee and onward submission to the LUPC Board and publication on LUPC's website and summarised in LUPC's Annual Review.

2. Principles

LUPC will:

- a. Practise Responsible Procurement with suppliers at all points on the procurement cycle, not just during the tender process;
- b. Base responsible capital procurement around whole-life costing principles and encourage Members to adopt whole-life costing principles in purchase decisions;
- c. Take a risk-based approach to Responsible Procurement in order to make the maximum impact on the supply chain with available resources;
- d. Maintain its involvement as a founding member of Electronics Watch, encourage Members to affiliate and partner with NGOs who focus on supply chain monitoring and advocacy;
- e. Encourage collaboration with external organisations to support identification of risks in the supply chain and monitoring of working conditions;
- f. Encourage new monitoring and advocacy organisations in other high-risk spend categories;
- g. Include options to encourage Members to pay workers the London Living Wage in framework agreements;
- h. Stage events regarding the importance of Responsible Procurement, partnering with NGOs and civil society and involving student groups, produce a special issue of *Linked* (LUPC's

regular magazine) and make extensive use of social media all with the aim of further raising the profile and need for Responsible Procurement;

- i. Work to support Members in the development of their Modern Slavery and Human Trafficking policies and practices;
- j. Target senior decision-makers and influencers in higher education and the wider public sector about Responsible Procurement and play a role in shaping national policy; and
- k. Review this Strategy and report on outcomes regularly to Members, capturing successes and the lessons learned.

3. Special Projects

LUPC will undertake the following special projects:

<i>Project Title</i>	<i>Project Outline</i>	<i>Critical Success Factors</i>	<i>Completion</i>
Modern Slavery Project (Guidance)*	Produce practical guidance document for procurement practitioners on Public Procurement and Human Rights.	Number of downloads of the Guidance from the website.	Launch in May 2017
Modern Slavery Project (SCM I)*	Supply Chain Mapping: work with suppliers to map tiers 1 and 2 for a new supply agreement (e.g. gowning or furniture) and identify risks.	First mapping exercise completed and risks identified.	December 2017
Supplier Engagement Project*	Supplier Engagement: capture data using the Sustain tool, secure commitment from suppliers to the Sustain Supply Chain Code of Conduct and prepare contract clauses on promoting respect for human rights in the supply chain.	Number of suppliers who actively engage with the Sustain tool.	Summer 2018
Modern Slavery Project (SCM II & III)*	Supply Chain Mapping: work with suppliers to map two further supply chains and identify risks.	Further mapping exercises completed and risks identified.	Summer 2018
Student Engagement Programme	Survey student views on Responsible Procurement in partnership with student groups. Stage a one-day student conference on Responsible Procurement. Develop a white paper on rethinking the procurement cycle.	High quality, useful information gathered from survey. Well attended conference, with demonstrably positive student reaction. Published white paper.	Summer 2018
Sustainable Procurement Standard	New international standard BS ISO20400:2017 for Sustainable Procurement	Attainment of standard verified by independent consultant.	Summer 2018
Graduate Placement Project	Engage with suppliers to secure work placements for students and graduates for member institutions under the Social Value Act 2012.	Arrangements in place to enable Members to place students and/or graduates.	Summer 2019
Market Research Project	Commission market research into opportunities for higher education to partner with social enterprise.	High quality, useful information gathered from market research.	Winter 2019-20

**These projects are already commissioned and funded.*

London Universities Purchasing Consortium Responsible Procurement Advisory Group Terms of Reference (Final)

March 2017

1. Definition

Responsible Procurement:

- a. seeks to build on and expand the scope of 'ethical' and 'sustainable' procurement to include environmental, economic, and social issues and their risks and benefits;
- b. includes a range of considerations of equal or greater importance than profitability and the generation of value;
- c. includes purchasing that minimises carbon emissions causing climate change, challenging the systems and industries driving it;
- d. identifies, prevents and mitigates the risks of human rights abuses in the supply chain, including forced labour, child labour and human trafficking; and
- e. recognises that these considerations are interconnected, and must be approached in their totality, with a sensitivity to that.

2. Purpose

2.1 The purpose of the LUPC Responsible Procurement Advisory Group (RPAG) is to:

- a. Formulate and recommend the Responsible Procurement Policy and Strategy for endorsement by LUPC's Executive Committee and onward for approval by the LUPC Board;
- b. Recommend projects and actions by LUPC to deliver the strategy in support of the policy;
- c. Oversee LUPC's progress with its Responsible Procurement programme, ensuring that it has vigour and broadly reflects the values of LUPC's membership;
- d. Provide advice to LUPC Members on Responsible Procurement issues when appropriate.

2.2 RPAG was established following a fringe meeting at the LUPC/SUPC Conference on 15 June 2016.

3. Membership

- 3.1 RPAG membership is open to sustainability managers, procurement managers and students drawn from LUPC's membership, plus representatives of NUS, People & Planet and other relevant groups as may be decided by RPAG from time to time. RPAG will appoint a Chairman and may appoint a Vice-Chair if it feels necessary.
- 3.2 RPAG membership shall be limited to 16 members, not including LUPC staff. New members shall be appointed with the agreement of RPAG, which shall be decided by a simple majority.
- 3.3 RPAG members, including the Chair and Vice-Chair, shall serve for a period not exceeding three years, not including LUPC staff.
- 3.4 Meetings shall be quorate when at least one sustainability manager, one procurement manager, one student and one LUPC staff members are all present.

4. Accountability

- 4.1 RPAG shall be accountable to LUPC Executive Committee. The LUPC Board shall have the power to dissolve RPAG forthwith.

5. Working methods

- 5.1 RPAG's role shall generally be to recommend, endorse and oversee work carried out or co-ordinated by LUPC.
- 5.2 RPAG Members are not expected to undertake significant work themselves.
- 5.3 RPAG may convene sub-groups for certain, specific purposes.
- 5.4 RPAG will meet four times annually, usually in central London. RPAG may decide to terminate the membership of any member who attends fewer than two meetings in each calendar year.
- 5.5 LUPC staff will act as secretariat to RPAG and will generally organise and minute meetings.
- 5.6 The Chair will approve the agenda for each meeting. RPAG members may propose agenda items for meetings. Meeting papers will be circulated by email at least one week prior to the date of the meeting.
- 5.7 Non-members may be invited to RPAG meetings from time to time at the approval of the Chair for specific agenda items.

6. Review

The work of RPAG and these Terms of Reference shall be reviewed at least once annually to ensure ongoing relevance and effectiveness.