

Responsible Procurement

GLA Group Implementation Plan
2018 - 2020

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1. Introduction

In June 2017 the Mayor published the GLA Group Responsible Procurement (RP) Policy (“the RP Policy”). This is a high level strategic policy setting out the GLA Group’s plans, ambitions and commitments for ensuring continuous improvement in London. It is delivered through the Group’s procurement activities, which support the delivery of the Mayor’s commitments and related strategies.

The RP Policy replaces a previous version and focuses on six key themes:

- Enhancing social value;
- Encouraging equality and diversity;
- Embedding fair employment practices;
- Enabling skills, training and employment opportunities;
- Promoting ethical sourcing practices; and
- Improving environmental sustainability.

Signatories to the RP Policy are the Greater London Authority (GLA) and its Functional Bodies: Transport for London (TfL); London Fire Commissioner (LFC), previously the London Fire and Emergency Planning Authority (LFEPA); Mayor’s Office for Policing and Crime (MOPAC); London Legacy Development Corporation (LLDC); and Old Oak and Park Royal Development Corporation (OPDC).

The RP Policy is also supported by the Metropolitan Police Service (MPS), which is accountable to the Mayor’s Office for Policing and Crime. For the purposes of this Plan all references to the GLA Group and Functional Bodies include the Metropolitan Police Service.

The GLA Group Responsible Procurement Policy is available online at www.london.gov.uk/rp-policy

2. The purpose of this Implementation Plan

This Implementation Plan sets out the actions that the GLA Group has prioritised to deliver the RP Policy themes between now and 2020, fulfilling a commitment made in the RP Policy.

In accordance with a risk and opportunity-based approach, this Plan seeks to focus resources on those areas that have the greatest impact in terms of achieving the objectives of the RP Policy. In so doing, we will also work closely with a wide range of our suppliers and other stakeholders to support delivery of lasting positive change throughout our supply chains.

3. Development of this Implementation Plan

This Implementation Plan is the collective vision of the GLA Group's Functional Bodies, supported by the GLA Group Central Responsible Procurement Team (CRPT). This document has been developed in collaboration with key stakeholders from these organisations. It sets out shared ambitions and common aspirations, while allowing some organisations to exceed these and share best practice in specific RP Policy areas.

Owing to the significant variation in spend, scale and complexity of their supply chains, the GLA and each Functional Body differs in its approach to procuring goods, services and works. Procurement for the GLA, for example, is managed principally through TfL. As such, Functional Bodies have developed detailed individual RP Action Plans. In view of their relatively low spends, separate action plans have not been prepared by either OPDC or MOPAC, but work progresses to engage and further support RP implementation in key activities such as funding provision and commissioning. In addition, the CRPT also supports the GLA Group Collaborative Procurement function which is hosted by TfL. Work over the period of this Implementation Plan will take place to share good practice across the Group, and to encourage a common and consistent, although not necessarily identical approach going forward.

As well as engaging with Functional Bodies in developing this Plan, close consultation with GLA policy leads was also undertaken. Further work has been carried out by the CRPT to cross-reference this plan against Mayoral strategies to ensure that the RP Policy can most effectively be used as a mechanism to deliver on key Mayoral priorities from the strategies

listed below, and to ensure that London's growth is Good Growth¹, benefiting all Londoners.

- London Environment Strategy;
- Mayor's Transport Strategy;
- Mayor's Economic Development Strategy for London;
- Mayor's Equality, Diversity and Inclusion Strategy;
- Mayor's Social Integration Strategy;
- The Draft New London Plan;
- London Health Inequalities Strategy;
- London Housing Strategy;
- Skills for Londoners Strategy; and
- London Culture Strategy.

During the lifetime of this Implementation Plan, the CRPT will work with the Functional Bodies to develop further actions and ambitions for the Responsible Procurement programme from 2020 onwards.

4. Our ambitions

While our aim is for all our procurement activity to reflect the RP Policy, we have developed a number of overarching ambitions to guide our progress. The GLA Group will:

By the end of 2018-19

- Establish an RP working group in each Functional Body and put in place data collection mechanisms that allow for robust ongoing monitoring of RP performance;
- Pay 90% of Small to Medium Enterprises (SME) invoices within 10 working days, and aim to improve this over time;
- Ensure that 100% of relevant contracts require payment of the London Living Wage (LLW) to workers and ensure suitable mechanisms for ongoing uplift in line with the annual LLW review;

¹ Good Growth is an integral process of building a more inclusive city and is defined in the New Draft London Plan as sustainable growth that works for everyone to reduce inequalities and make the city a better place to live, work and visit.

- Create a minimum of 500 supply chain apprenticeship starts per annum across the Group;
- Actively encourage all relevant key suppliers to publish a compliant Modern Slavery Statement;
- Identify contracts that utilise unnecessary single-use plastics, and work to eliminate this through contract management and procurement processes;
- Identify and establish three circular economy pilots across the GLA Group, in partnership with the GLA Environment Team;
- Undertake internal assessment against Sustainable Procurement Standard ISO20400 to ensure resources are targeted at areas of greatest opportunity; and

By the end of 2019-20

- Working with key stakeholders, identify an appropriate methodology to measure social value outcomes;
- Train all key commercial employees within the GLA Group in the application of RP practice and principles;
- Deliver Social Value and Good Growth through the Mayor's built environment projects by commissioning contracts in line with the forthcoming Good Growth² commissioning excellence guidelines;
- Promote the Good Work Standard (once launched) and encourage key suppliers to sign up;
- Embed 'Best Practice' level Government Buying Standards and Green Public Procurement criteria in relevant contracts;
- Investigate the scope to measure and reduce embodied Greenhouse Gas emissions in GLA Group construction projects;
- Develop an understanding of consumption-based (scope 3) carbon emissions within the GLA Group;
- Implement Work Related Road Risk (WRRR) requirements and the forthcoming Direct Vision Standard (DVS) in all relevant contracts;
- Investigate and implement where possible alternative logistical strategies, starting with catalogue suppliers, to reduce the air quality impact of delivery vehicles;

² <https://www.london.gov.uk/what-we-do/regeneration/advice-and-guidance/about-good-growth-design>

- Identify a preferred whole life costing methodology for the GLA Group to ensure we are considering disposal at contract award stage and achieving best value for money;
- Undertake a comprehensive stakeholder engagement exercise to understand how we might most effectively increase the proportion of women- and minority-owned businesses in our supply chain; and
- Undergo external assessment against Sustainable Procurement Standard ISO20400 to understand our progress in delivering social value through procurement.
- Ensure that all GLA built environment projects funded by the Mayor undertake a design review with the London Review Panel, or equivalent design review process accredited by the London Quality Review Charter, at least once in their life cycle.

Beyond 2020

- Progress towards the aim of all new supply chain apprenticeship starts to be reflective of London's diversity;
- Work with GLA policy leads to develop interventions to meet the target of 33% of spend being with SMEs (throughout the supply chain) by the end of 2021;
- By the end of 2022 publish a roadmap that sets out how the GLA Group supply chain activities can contribute to the Mayor's ambition for London to be a zero-carbon city by the end of 2050 (with interim drafts and relevant sector roadmaps developed from 2020);
- All Non-Road Mobile Machinery procured by the GLA Group, or used by suppliers and subcontractors on behalf of the GLA, to be zero emission by the end of 2040 to support the delivery of target outcomes related to air quality; and
- All 'last mile'³ deliveries to GLA Group premises to be zero emission by the end of 2050 to support the delivery of target outcomes related to air quality.

³ Last mile is a term used in supply chain management and transportation planning to describe the movement of goods from a transportation hub to its final destination.

5. Governance

Responsibility for delivering the RP Policy through direct procurement activity rests primarily with the Functional Bodies. Their individual action plans set out the detailed activities to be undertaken in each RP Policy theme, with target completion dates, action owners and expected outputs. These action plans are intended to be 'live documents' and will guide progress between now and 2020. Priority activities are summarised by RP Policy theme below.

Functional Bodies are supported by the Central Responsible Procurement Team (CRPT), hosted by TfL and working across the whole GLA Group. It provides strategic oversight and leads on cross-cutting programmes of work, as well as giving hands-on support. The CRPT convenes a quarterly Responsible Procurement Forum, bringing together representatives from each of the Functional Bodies to share good practice and actively address common challenges. This group is informed by the GLA Responsible Procurement Steering Group, comprised of subject matter experts for each RP Policy theme from across GLA, who support the RP programme to deliver good practice and continued alignment with the Mayor's wider strategies.

6. Monitoring Progress

In order to monitor our progress against our ambitions and the outcomes arising from implementation of the RP Policy more widely, GLA Group Functional Bodies will be reporting regularly against the following metrics by the end of 2018-19:

INDICATOR	SCOPE	FREQUENCY
1) Number of staff trained in responsible procurement	All staff	Quarterly
2) Number and % of SME suppliers	All suppliers	Annually
3) £ and % of spend with SMEs	All suppliers	Annually
4) % of SME invoices paid within 10 days	All suppliers	Quarterly
5) Number and % of suppliers signed up to the Good Work Standard (once launched) ⁴	All suppliers	Quarterly
6) Average gender pay gap	Key suppliers	Annually
7) Number of workers in the supply chain benefitting from the London Living Wage	All suppliers	Annually
8) Number of supply chain apprenticeship starts	All suppliers	Quarterly
9) % of apprenticeship starts within the supply chain from underrepresented groups (women, BAME and disabled)	All suppliers	Quarterly
10) % of relevant suppliers who have issued a compliant Modern Slavery statement	Key suppliers	Annually
11) Number and % of key suppliers managing their significant environmental impacts through an ISO 14001 Environmental Management System or equivalent	Key suppliers	Annually
12) Number and % of zero emission capable vehicles in the GLA Group fleet	FBs	Annually

⁴ The Good Work Standard is a new GLA-led compact that aligns with themes of the RP Policy, and aims to promote fair pay, excellent working conditions, equality, diversity and inclusion, good work-life balance, health and well-being, opportunities for professional development and lifelong learning, and employee voice and representation in London's workplaces. It is due to be launched in April 2020.

These 'core metrics' will provide a consistently-measured record of performance across the Group. The CRPT will work with Functional Bodies in 2018-19 to ensure robust and consistent data collection methodologies. In addition, it is intended that narrative reporting and case studies will be utilised to further demonstrate progress, along with contract and Functional Body-specific metrics where appropriate.

Reporting by Functional Bodies will take place quarterly. Data will be analysed by the CRPT for trends, risks and opportunities, and presented to the Collaborative Procurement Board.

The CRPT will support Functional Bodies to develop their capacity to allow reporting against further metrics to be used in 2019-20 and beyond, once the current programme and reporting framework has been embedded. This will be done in conjunction with GLA policy leads.

7. Responsible Procurement Policy Themes

The GLA Group will collectively undertake a significant amount of work to show leadership in Responsible Procurement in the period to 2020. Highlighted below are some notable examples under each RP Policy theme.

Best practice and leadership activities exhibited by individual Functional Bodies in specific RP Policy areas will be shared and implemented across the group through the CRPT.

Enhancing Social Value

Social value is the economic, social and environmental well-being of our communities, in London and beyond. Through our Responsible Procurement programme we create social value as part of our purchasing and commissioning activity. Whilst GLA Group procurement is governed by the Public Services (Social Value) Act 2012, the RP Policy requires Functional Bodies to go beyond compliance and lead by example, routinely considering relevant and proportionate social value outcomes at all stages of the procurement process.

- From 2018, the CRPT will share good practice in responsible procurement, in partnership with key organisations such as Procura+, a network of European public bodies.

- From 2018, GLA will ensure that all projects with design services procured through the Mayor's Architecture Design and Urbanism Panel (ADUP) Framework embed a requirement for the supplier to achieve social value within the design brief and methodology of the project.
- By the end of 2019, all key commercial staff in Functional Bodies will receive training in the application of Responsible Procurement and social value practice and principles.
- By the end of 2019, all Functional Bodies will have established appropriate internal governance mechanisms and data collection methodologies to ensure delivery of the RP Policy, this Implementation Plan and their respective action plans.
- By the end of 2019, the CRPT will identify appropriate methodologies to most effectively use the procurement process to create social value outcomes, and to measure these outcomes across the Group. The London Fire Brigade (LFB) will support this activity through continued representation on the Social Value Task Force which is made up of representatives from both Central and Local Government.

Encouraging Equality and Diversity

Inclusive London, the Mayor's Equality, Diversity and Inclusion Strategy, sets out how the Mayor will work to help create a fairer and more inclusive city where all people feel welcome and able to fulfil their potential. The objectives set out in the Strategy establish a vision for change over the next four years. The Mayor expects workforces to become more representative of the city's diversity, and also recognises the specific challenges facing women- and minority-led businesses and Small and Medium Enterprises (SMEs). The forthcoming Good Work Standard is a further mechanism we will use to encourage equality and diversity in the supply chain.

- From 2018, the CRPT will engage with key stakeholders, including the Federation of Small Businesses, to identify and address barriers to small and diverse businesses participating in our supply chains.
- From 2018, the MPS will work with their service provider to promote supply chain opportunities to small and diverse businesses. This will be through a combination of efforts; a key one being the continued use and promotion of CompeteFor for procurements under £50,000.
- From 2018, GLA will work with the Stephen Lawrence Trust to encourage greater collaboration between established and emerging built environment practices to address under-representation in the sector.
- From 2018, LLDC will roll out site access systems to monitor workforce diversity and take-up of employment opportunities for local people.

- From 2018, TfL will design and commission development of a Diversity & Inclusion supplier engagement programme, which will assist suppliers to employ a workforce that is representative of the diversity of London's population and provide services that are inclusive.
- From 2018, the GLA will monitor the use of the Architecture Design and Urbanism Panel in terms of the gender and ethnicity of all teams applying for and accessing work via mini competition, and will by the end of 2020 aim for utilisation of female and BAME led teams in line with the diversity of London as a whole.
- From 2019, LFB will embed a process to ensure the Inclusion Team and staff groups are consulted on the design requirements of relevant contracts to take into account the needs of a diverse workforce.

Embedding Fair Employment Practices

It is vital that people working in our supply chain are not employed on terms that are unlawful and exploitative, and that they are provided with a safe and healthy place to work. The Mayor is focussing on providing support to employers through the launch of a Good Work Standard and London Healthy Workplace Charter. We will support this by using the procurement process and our supply chain networks to facilitate roll out.

- From 2018, the CRPT will support Functional Bodies to implement processes to audit compliance of London Living Wage requirements in relevant contracts.
- From 2019, Functional Bodies will promote the Good Work Standard (once launched) and the London Healthy Workplace Charter to relevant suppliers. GLA group suppliers' participation in the charter and standard will be monitored from 2019.

Enabling Skills, Training and Employment Opportunities

The Mayor's Skills for Londoners strategy recognises that many adults and young people do not have the skills demanded by employers, and therefore face unemployment or low pay. At the same time, many employment sectors, including transport and infrastructure, are experiencing significant skills shortages. The RP Policy requires Functional Bodies to focus on training and employment opportunities in relevant contracts, working with our supply chain to address skills shortages in key industry sectors, under-representation of diverse groups, and target relevant opportunities to people experiencing barriers to employment.

- From 2018, the MPS will incorporate requirements for skills, training and employment within the procurement of their major refurbishment programme in line with the MPS Estates Strategy.
- From 2018, LFB will support UK Fire Services to introduce skills and training requirements into the National Framework for Personal Protective Equipment.
- From 2018, LLDC will lead a construction and an end-user employment group that brings together boroughs and Park-based employers to match demand for skills with supply locally, delivering benefits to under-represented groups and employers.
- By the end of 2019, TfL will run six pre-employment and work experience programmes in partnership with key suppliers, focused on underrepresentation of women and people from a BAME background, and promoting social mobility.
- By the end of 2019, TfL will develop and pilot a shared apprenticeship programme for London in partnership with suppliers to address skills shortages and under-representation.

Promoting Ethical Sourcing Practices

The Ethical Trading Initiative's Base Code, or equivalent, is the standard set for suppliers to support working conditions that are legal, fair and safe. Adopting a risk and opportunity based approach, the RP Policy requires Functional Bodies to identify areas of spend where there may be a high risk of poor working conditions, human rights abuses or negative impacts on security and crime. Transparency is the watchword when conducting human rights due diligence in supply chains, and we are committed to a process of continuous improvement, reflecting existing and emerging legislation and guidance.

- From 2018, the CRPT will investigate Group-wide affiliation to Electronics Watch.
- By the end of 2019, LLDC will develop and implement a procedure for use in construction contracts to aid due diligence and help suppliers identify and mitigate risks of human rights abuses, particularly modern slavery, human trafficking, and forced and bonded labour.
- By the end of 2019, all Functional Bodies will produce a register of key supplier compliance with the transparency provisions of the Modern Slavery Act 2015.

Improving Environmental Sustainability

The state of London's environment affects everyone who lives in and visits the city. As the population grows many of the major challenges it faces, such as poor air quality and climate change, will worsen if action is not taken. The Mayor's Transport Strategy and

London Environment Strategy form the policy framework for addressing these, and other, environmental issues, and set out the Mayor’s vision of a zero carbon city by the end of 2050. One of the core principles of the London Environment Strategy⁵ is that the Mayor and the organisations he directly controls and has oversight of should lead by example. Some of the specific leading by example actions the strategy defines are highly relevant for the implementation of the principles of the RP Policy. These include, for example, actions to achieve compliance with zero emission targets for GLA Fleet, powering services through renewable energy generation, and cutting unnecessary use of single-use plastic and disposables across our estate. The GLA Group cannot deliver this in isolation, however - suppliers and contractors will have an important role to play in achieving change.

- From 2018, the GLA will work with CRPT to engage the Group’s key suppliers to identify how they can most effectively contribute to London’s wider environmental targets, for example supporting waste reduction and achievement of 95% recycling rate in the construction sector by the end of 2020, 65% municipal recycling rate by the end of 2030, and a minimum of 75% business waste recycling by the end of 2030.
- From 2018, LFB will work with its current fleet contractor to explore innovative procurement approaches that aim to develop and introduce a prototype low emission HGV operational vehicle.
- From 2018, the MPS and LFB will collaborate to identify and establish circular economy pilots within the National Uniforms Managed Service contract.
- From 2018, TfL will roll-out an innovative value engineering process to reduce embodied carbon within materials in the procurement of station upgrades and other relevant projects.
- From 2019, GLA will update the GLA Events Sustainability Policy to align with the RP Policy and mainstream the new approach to events sustainability for all GLA led relevant procurement projects.
- By the end of 2020, Non-Road Mobile Machinery (NRMM) for GLA-led events and TfL-managed roadworks under the London Highways Alliance contract will be required to comply with the NRMM Low Emission Zone standards.

⁵ London Environment Strategy and its Implementation Plan can be found at:
<https://www.london.gov.uk/what-we-do/environment/london-environment-strategy>

8. Implementation of the RP Policy

The GLA Group Central Responsible Procurement Team (CRPT) has been established to support the Functional Bodies in the delivery of the GLA Group Responsible Procurement Policy, providing subject matter expertise and experience, and a coordinated, Group-wide approach.

In addition to supporting the Functional Bodies in the delivery of their action plans, priority activities for the CRPT are to include:

- In 2018, the CRPT will develop the governance structure, including programme and performance management for the RP Programme.
- From 2018, the CRPT will develop and deliver RP training for staff within the Functional Bodies.
- From 2018, the CRPT will work in close partnership with GLA policy teams to develop and test further metrics to be introduced from 2019-20 onward; including, for example, city-wide metrics for measuring circularity in procurement.
- From 2018, the CRPT will work with Functional Bodies, in particular relevant stakeholders in the OPDC, MOPAC and the GLA, to establish a best practice approach to applying the RP Policy to commissioning and funding projects.
- During 2018-19, the CRPT will support Functional Bodies to review their processes and procedures across the full procurement cycle to ensure that RP opportunities and risks are considered and addressed in all relevant contracts, and develop appropriate guidance and toolkits.
- During 2018-19, the CRPT will develop an RP Communications Plan, with a focus on promoting the GLA Group's RP programme and sharing best practice with partners and networks both nationally and internationally.
- During 2019-20, the CRPT will facilitate the external assessment of the GLA Group against the ISO 20400 Sustainable Procurement Standard
- By the end of 2019, the CRPT will lead on the development of further monitoring and reporting mechanisms for RP outputs including defining and measuring social value.

9. Further Information

To find out more about the GLA Group Responsible Procurement Policy and programme, contact the GLA Group Central Responsible Procurement Team at responsibleprocurement@tfl.gov.uk.

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